

Eastern Internal Audit Services



NORTH NORFOLK DISTRICT COUNCIL

Strategic and Annual Internal Audit Plans 2022/23

Responsible Officer: Head of Internal Audit for North Norfolk District Council

CONTENTS

| | |
|--|----|
| 1. INTRODUCTION..... | 2 |
| 2. INTERNAL AUDIT CHARTER | 2 |
| 3. INTERNAL AUDIT STRATEGY | 3 |
| 4. STRATEGIC INTERNAL AUDIT PLAN..... | 3 |
| 5. ANNUAL INTERNAL AUDIT PLAN..... | 3 |
| APPENDIX 1 – INTERNAL AUDIT STRATEGY | 4 |
| APPENDIX 2 – STRATEGIC INTERNAL AUDIT PLAN | 9 |
| APPENDIX 3 – ANNUAL INTERNAL AUDIT PLAN 2022/23..... | 13 |

1. INTRODUCTION

- 1.1 The Accounts and Audit Regulations 2015 require that “a relevant authority 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”.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) mandate a periodic preparation of a risk-based plan, which must incorporate or be linked to a strategic high-level statement on how the internal audit service will be delivered and developed in accordance with the charter and how it links to the organisational objectives and priorities, this is set out in the Internal Audit Strategy.
- 1.3 Risk is defined as 'the possibility of an event occurring that will have an impact on the achievement of objectives'. Risk can be a positive and negative aspect, so as well as managing things that could have an adverse impact (downside risk) it is also important to look at potential benefits (upside risk).
- 1.4 The development of a risk-based plan takes into account the organisation's risk management framework. The process identifies the assurance (and consulting) assignments for a specific period, by identifying and prioritising all those areas on which objective assurance is required. This is then also applied when carrying out individual risk based assignments to provide assurance on part of the risk management framework, including the mitigation of individual or groups of risks.
- 1.5 The following factors are also taken into account when developing the internal audit plan:
 - The risk profile and maturity of the Council;
 - Previous assurance gradings given in each area;
 - Any declarations to avoid conflicts of interest;
 - The requirements of the use of specialists e.g. IT auditors;
 - Striking the right balance over the range of reviews needing to be delivered, for example systems and risk-based reviews, specific key controls testing, value for money and added value reviews;
 - Allowing contingency time to undertake ad-hoc reviews or fraud investigations as necessary;
 - The time required to carry out the audit planning process effectively as well as regular reporting to and attendance at Governance Risk and Audit Committee, the development of the annual report and opinion and the Quality Assurance and Improvement Programme.
- 1.6 In accordance with best practice the Governance, Risk and Audit Committee should ‘*review and assess the annual internal audit work plan*’.

2. INTERNAL AUDIT CHARTER

- 2.1 There is an obligation under the PSIAS for the Charter to be periodically reviewed and presented. This Charter is therefore reviewed annually by the Head of Internal Audit to confirm its ongoing validity and completeness, and presented to the Section 151 Officer, Senior Management and the Governance Risk and Audit Committee every two years, or as required for review. The Charter was last approved in 2021 and will therefore not need to be reviewed and approved by the Committee this year.

- 2.2 As part of the review of the Audit Charter the Code of Ethics are also reviewed by the Head of Internal Audit, and it is ensured that the Internal Audit Services contractor staff, as well as the Head of Internal Audit and Internal Audit Trainee adhere to these, specifically with regard to; integrity, objectivity, confidentiality and competency. Formal sign off to acceptance of the Code of Ethics is retained by the Eastern Internal Audit Services.

3. INTERNAL AUDIT STRATEGY

- 3.1 The purpose of the Internal Audit Strategy (**see Appendix 1**) is to confirm:
- How internal audit services will be delivered;
 - How internal audit services will be developed in accordance with the internal audit charter;
 - How internal audit services links to organisational objectives and priorities; and
 - How the internal audit resource requirements have been assessed.

4. STRATEGIC INTERNAL AUDIT PLAN

- 4.1 The overarching objective of the Strategic Internal Audit Plan (**see Appendix 2**) is to provide a comprehensive programme of review work over the next three years, with each year providing sufficient audit coverage to give annual opinions, which can be used to inform the organisation's Annual Governance Statement.
- 4.2 The coverage over the forthcoming three years has been discussed with the Corporate Leadership Team to ensure audits are undertaken at the right time, at a time where value can be added, as well as ensuring sufficient coverage for an Annual Opinion on the framework of governance, risk management and control. The discussions also went into greater detail in relation to the scope of the audits for the forthcoming financial year.

5. ANNUAL INTERNAL AUDIT PLAN

- 5.1 Having developed the Strategic Internal Audit Plan, the Annual Internal Audit Plan is an extract of this for the forthcoming financial year (**see Appendix 3**). The plan includes the areas being reviewed by Internal Audit, the number of days for each review, the quarter during which the audit will take place and a summary and purpose of the review.
- 5.2 The Annual Internal Audit Plan for 2022/23 totals 174 days, encompassing 16 internal audit reviews, two of which cover IT processes.
- 5.3 Audit verification work concerning audit recommendations implemented to improve the Council's internal control environment will also be undertaken throughout the financial year.
- 5.4 Depending on any changes to the control environment over the year, the annual internal audit plan may need to be revised to respond to emerging risks. The Head of Internal Audit will regularly review the Corporate Risk Register and report through to the Committee any necessary changes to the plan of work.

APPENDIX 1 – INTERNAL AUDIT STRATEGY



EASTERN INTERNAL AUDIT SERVICES

INTERNAL AUDIT STRATEGY FOR 2022/23

1. Introduction

- 1.1 The Internal Audit Strategy is a high-level statement of;
- how the internal audit service will be delivered;
 - how internal audit services will be developed in accordance with the internal audit charter;
 - how internal audit services links to the organisational objectives and priorities; and
 - how the internal audit resource requirements have been assessed.

The provision of such a strategy is set out in the Public Sector Internal Audit Standards (the standards).

- 1.2 The purpose of the strategy is to define the objectives, function, the approach, resources and processes needed to achieve Internal audit service, providing a clear link between the Charter and the annual plan.
- 1.3 Throughout this strategy the term 'The Authority' or 'Authority' references any member of the Eastern Internal Audit Services Consortium. The term 'Audit Committee' is used throughout to refer to each Authorities Audit Committee or equivalent.

2. How the internal audit service will be delivered

- 2.1 The Role of the Head of Internal Audit and contract management is provided by South Norfolk Council to; Breckland, Broadland, North Norfolk, South Holland and South Norfolk District Councils, Great Yarmouth Borough Council, the Broads Authority and from April 2022, Norwich City Council. All Authorities are bound by a Partnership Agreement.
- 2.2 The delivery of the internal audit plans for each Authority is provided by an external audit contractor, who reports directly to the Head of Internal Audit at South Norfolk Council. Following a successful procurement exercise the new contract with TIAA Ltd will commence from 1 April 2022 ending 31 March 2028 with the option to extend for a further term of two plus two.

3. How internal audit services will be developed in accordance with the internal audit charter

3.1 Internal Audit objective and outcomes

- 3.1.1 Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Authority's operations. It helps the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

- 3.1.2 The outcomes of the internal audit service are detailed in the Internal Audit Charter and can be summarised as; delivering a risk-based audit plan in a professional, independent manner, to provide the Authority with an opinion on the level of assurance it can place upon the internal control environment, systems of risk management and corporate governance arrangements, and to make recommendations to improve these provisions, where further development would be beneficial.
- 3.1.3 The reporting of the outcomes from internal audit is through direct reports to senior management in respect of the areas reviewed under their remit, in the form of an audit report. The Audit and Risk Committee and the Section 17 Officer also receive:
- The Audit Plans Report, which is risk based and forms the next financial year's plan of work; and
 - The Annual Report and Opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

3.2 Internal Audit Planning

- 3.2.1 A risk-based internal audit plan (RBIA) is established in consultation with senior management that identifies where assurance and consultancy is required.
- 3.2.2 The audit plan establishes a link between the proposed audit areas and the priorities and risks of the Authority considering:
- Stakeholder expectations, and feedback from senior and operational managers;
 - Objectives set in the strategic plan and business plans;
 - Risk maturity in the organisation to provide an indication of the reliability of risk registers;
 - Management's identification and response to risk, including risk mitigation strategies and levels of residual risk;
 - Legal and regulatory requirements;
 - The audit universe – all of the audits that could be performed; and
 - Previous Internal Audit plans and the results of audit engagements.
- 3.2.3 In order to ensure that the internal audit service adds value to the Authority, assurance should be provided that major business risks are being managed appropriately, along with providing assurance over the system of internal control, risk management and governance processes.
- 3.2.4 Risk based internal audit planning starts with the Authority's Business Plan, linking through to the priority areas and the related high-level objectives. The focus is then on the risks, and opportunities, that may hinder, or help, the achievement of the objectives. The approach also focuses on the upcoming projects and developments for the Authority.
- 3.2.5 The approach ensures; better and earlier identification of risks and increased ability to control them; greater coherence with the Authority's priorities; an opportunity to engage with stakeholders; the Committee and Senior Management better understand how the internal audit service helps to accomplish its objectives; and this ensures that best practice is followed.
- 3.2.6 The key distinction with establishing plans derived from a risk based internal audit approach is that the focus should be to understand and analyse management's assessment of risk and to base audit plans and efforts around that process.
- 3.2.7 Consultation with the Section 151 Officer and Senior Management takes place through discussion during which current and future developments, changes, risks and areas of concern are considered and the plan amended accordingly to take these into account.

3.2.8 The outcome of this populates the annual internal audit plan, which is discussed with and approved by senior management prior to these being endorsed by the Audit Committee. In addition, External Audit is also provided with details of the plans.

3.3 Internal Audit Annual Opinion

3.3.1 The annual opinion provides Senior Management and the Audit Committee with an assessment of the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

3.3.2 The opinion is based upon:

- The summary of the internal audit work carried out;
- The follow up of management action taken to ensure implementation of agreed action as at financial year end;
- Any reliance placed upon third party assurances;
- Any issues that are deemed particularly relevant to the Annual Governance Statement (AGS);
- The Annual Review of the Effectiveness of Internal Audit, which includes;
 - A statement on conformance with the Public Sector Internal Audit standards and the results of any quality assurance and improvement programme,
 - the outcomes of the performance indicators and
 - the degree of compliance with CIPFA's Statement on the Role of the Head of Internal Audit.

3.3.3 In order to achieve the above, Internal Audit operates within the standards and uses a risk based approach to audit planning and to each audit assignment undertaken. The control environment for each audit area reviewed is assessed for its adequacy and effectiveness of the controls and an assurance rating applied.

4. How internal audit services links to the organisational objectives and priorities

4.1 In addition to the approach taken as outlined in section 3.2 (Internal Audit Planning), which ensures that the service links to each Authorities objectives and priorities and thereby through the risk based approach adds value, internal audit also ensure an awareness is maintained of local and national issues and risks.

4.2 The annual audit planning process ensures that new or emerging risks are identified and considered at a local level. This strategy ensures that the planning process is all encompassing and reviews the records held by the Authority in respect of risks and issue logs and registers, reports that are taken through the Authority Committee meetings, and through extensive discussions with senior management.

4.3 Awareness of national issues is maintained through the contract in place with the external internal audit provider through regular "horizon scanning" updates, and annually a particular focus provided on issues to be considered during the planning process. Membership and subscription to professional bodies such as the Institute of Internal Auditors and the CIPFA on-line query service, liaison with External Audit, and networking, all help to ensure developments are noted and incorporated where appropriate.

4.4 Each Authorities risk profile will be evaluated throughout each year, and if required, amendments to the Internal Audit Plan will suggested for approval to ensure that Internal Audit coverage continues to focus on providing assurance over the Authorities key risks.

4.5 Coverage and testing plans for each audit are determined using the following principles:

- The number of days allocated to each review is considered based on the complexity of the area being audited factoring in audit scoping, testing time and quality assurance processes.
- Key management assurance controls will be prioritised during testing to confirm that risks identified by the service area and internal audit during scoping are being monitored and managed.
- Ordinarily, samples for each control tested will be selected to cover a 12-month period to ensure that internal audit coverage supports the annual internal audit opinion.
- Testing sample sizes will ordinarily be based on the frequency of the control. By way of example; for each key financial control carried out weekly, a sample of four, one in each quarter across the year will be selected.
- Testing samples will be selected randomly and objectively to provide a balanced view on the strength of the controls in place.
- Where applicable data analytics will be used to test 100% of the available sample. The Internal Audit team will aim to increase the opportunities to adopt data analytics in their work to provide greater levels of assurance.

5. How internal audit resource requirements have been assessed

- 5.1 The in-house Internal Audit team at South Norfolk Council consists of the Head of Internal Audit who is a Chartered professional and an Internal Audit Trainee, currently training to become part qualified with the Chartered Institute of Internal Auditors.
- 5.2 These resources are used to contract manage the outsourced provider effectively, ensuring that the key performance measures of the service are met on behalf of consortium members. The team also provides Internal Audit management support to one other Council outside of the Consortium.
- 5.3 The Internal Audit Trainee has recently been appointed to enhance continuity arrangements and contribute towards building succession opportunities within the Consortium.
- 5.4 Through utilising a contractor, the risk based internal audit plan can be developed without having to take into account the existing resources, as you would with an in-house team, thus ensuring that audit coverage for the year is appropriate to the Authority's needs and not tied to a particular resource.
- 5.5 A core team of staff is provided by the contractor to deliver the audit plan, and these staff bring with them considerable public sector knowledge and experience. These core staff can be supplemented with additional staff should the audit plan require it, and in addition specialists, e.g. information technology auditors, contract auditor, fraud specialists, can be drafted in to assist in completing the internal audit plan and focusing on particular areas of specialism.
- 5.6 All audit professionals are encouraged to continually develop their skills and knowledge through various training routes; formal courses of study, in-house training, seminars and webinars. As part of the contract with TIAA Ltd the contractor needs to ensure that each member of staff completes a day's training per quarter.

5.7 The above-mentioned arrangements ensure that the Internal Audit Service is able to respond effectively to the assurance needs of each Authority whilst ensuring that the core team used are sufficiently qualified and experience.

APPENDIX 2 – STRATEGIC INTERNAL AUDIT PLAN

| Audit Area | Last review & assurance | Corporate Risk Register | Justification | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|---|--|--|---------|---------|---------|---------|
| Annual Opinion and Corporate audits | | | | | | | |
| Corporate Governance | 2018/19 - Reasonable 2020/21 - Reasonable | SR006 Governance (Council acts outside established procedures or unlawfully) - Medium | Medium risk raised in corporate risk register. Audit added to 2022/23 plan. | 8 | | | 8 |
| Complaints and FOI | New Area | | | | 8 | | |
| Risk Management | 2017/18 - Substantial 2019/20 - Reasonable | | | 6 | | | 6 |
| Key Controls and Assurance | 2020/21 Reasonable 2021/22 - TBC | Critical to annual internal audit opinion | | 10 | 15 | 10 | 15 |
| Annual Governance Statement | 2021/22 - Reasonable | | | | | | |
| Coronavirus Pandemic Recovery | 2020/21 - Position Statement | | | | | | |
| Procurement and Contract Management | 2019/20 - Reasonable 2020/21 - Position Statement | | | | 10 | | |
| Performance Management, Corporate Policy and Business Planning (includes commercialisation strategy) | 2017/18 - Substantial 2021/22 - Reasonable | SR004 Strategic (Corporate Plan and Projects may not be delivered within agreed timescales or budget) - Medium | Reasonable assurance given for this area in 2021/22. Review scheduled in for 2023/24 to follow up and provide assurance that risk continues to be managed. | | 12 | | 12 |
| Project Management Framework | Position Statement Cromer Tennis Hub 2020/21 No Assurance 2021/22 - Reasonable | SR007 Reputation (Council's reputation is adversely affected) - Medium SR008 Corporate Project related risks - Medium | Reasonable assurance given for this area in 2021/22. Review scheduled in for 2023/24 to follow up and provide assurance that risk continues to be managed. | | 10 | | 10 |
| Corporate Health and Safety | New Area | | | 10 | | | |
| Counter Fraud and Corruption Framework | 2021/2022 - Limited | | | | | 8 | |
| Elections and Electoral Registration | 2014/15 - Substantial 2018/19 - Substantial | | | | 10 | | |

| Audit Area | Last review & assurance | Corporate Risk Register | Justification | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|--|--|---|---------|---------|---------|---------|
| Fundamental Financial Systems | | | | | | | |
| Accountancy Services includes control accounts, banking, bank reconciliation, asset management / capital expenditure, budgetary control and treasury management | 2019/20 - Substantial 2021/22 - TBC | SR001 Financial (including credit & counterparty) - Medium | Results of 2021/22 audit of accountancy services pending to provide assurance over this risk. Audit scheduled in bi-annually. | | 16 | | 16 |
| Accounts Payable (insurance) | 2018/19 - Reasonable 2020/21 - Substantial | | | 12 | | 12 | |
| Accounts Receivable | 2019/20 Reasonable 2021/22 - Substantial | | | | 10 | | 10 |
| Income | 2019/20 - Reasonable 2021/22 - Reasonable | | | | 7 | | 7 |
| Council Tax and National Non-Domestic Rates | 2018/19 - Substantial 2020/21 - Substantial | | | 15 | | 15 | |
| Covid Business Grants | 2021/22 - Reasonable | | | | | | |
| Local Council Tax Support and Housing Benefits | 2018/19 - Substantial 2020/21 - Reasonable | | | 15 | | 15 | |
| Payroll and Human Resources | 2016/17 - Reasonable 2020/21 - Substantial | SR002 Operational capacity prevents the achievement of the Council's aims - High | Review required due to high risks raised in Corporate Risk Register | 12 | | 12 | |
| Service Area audits | | | | | | | |
| Finance Assets and Legal | | | | | | | |
| Democratic Services | 2016/17 - Reasonable | | | | | 8 | |
| Commercial Estates | 2016/17 - Substantial 2019/20 - Reasonable | | | | 10 | | |
| Legal Services | New specific area | | | 10 | | | |

| Audit Area | Last review & assurance | Corporate Risk Register | Justification | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|---|--|---|---------|---------|---------|---------|
| People Services | | | | | | | |
| Early Help Hub | New audit area | | | | | 10 | |
| Housing Strategy Homelessness and Housing Options | 2015/16 - Reasonable 2018/19 - Reasonable | | | | 12 | | |
| Private Sector Housing -includes DFGs and discretionary grants | 2016/17 - Reasonable 2020/21 - Reasonable | | | | 10 | | |
| Sustainable Growth | | | | | | | |
| Economic Growth | 2013/14 - Reasonable 2021/22 - Deferred | SR003 Macroeconomic (national/global recession resulting in business failure and unemployment) - High | Review required due to high risks raised in Corporate Risk Register | 10 | | | |
| Coastal Management | 2014/15 - Reasonable 2019/20 - Substantial | | | | 10 | | |
| Environmental Charter | 2021/22 - TBC | SR005 Environmental and Social (Council fails to take into account changing environmental and social needs) - High | High risk raised in Corporate Risk Register. Results from review of pending 2021/22 audit will inform coverage requirements for future years. | | | | 8 |
| Affordable Housing and Housing Enabling | 2019/20 - Reasonable | | | | | 10 | |
| Communities Environment and Leisure | | | | | | | |
| Waste Management including contract / agreement monitoring, income collection & monitoring, refuse collection, street cleansing, recycling, clinical waste, abandoned vehicles and grounds maintenance | 2017/18 - Reasonable 2021/22 - TBC | | | | | 12 | |
| Leisure | 2015/16 - Reasonable 2019/20 - Substantial | | | | 10 | | |
| Pier Pavilion | 2015/16 - Reasonable 2018/19 - Reasonable | | | 8 | | | |
| Car Parking | 2017/18 - Reasonable 2019/20 - Reasonable | | | | | 10 | |
| Markets | 2016/17 - Substantial | | | | 6 | | |
| Parks and Open Spaces and Woodland Management | 2015/16 - Reasonable | | | | | 10 | |
| Environmental Health includes emergency planning, food safety, environmental protection, pest control, dog warden, licensing and pollution control | 2018/19 Reasonable 2021/22 - Reasonable | | | | | 10 | |
| Environmental Protection | New Area | | | | 10 | | |
| Civil Contingencies and Business Continuity | New Area | | | | | 10 | |

| Audit Area | Last review & assurance | Corporate Risk Register | Justification | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|---|-------------------------|---------------|------------|------------|------------|------------|
| Planning | | | | | | | |
| Building Control - Deferred 2020/21 | 2017/18 - Substantial | | | 8 | | | |
| Land Charges | 2017/18 - Reasonable | | | | | | 8 |
| Enforcement Empty Homes | New Area | | | | 10 | | |
| Development Management includes planning applications | 2017/18 - Reasonable 2019/20 Reasonable | | | 10 | | | |
| Section 106 Arrangements | 2019/20 - Reasonable | | | | | 10 | |
| Organisational Resources | | | | | | | |
| Customer Services | 2021/22 - Substantial | | | | | | 10 |
| Property Services - Operational | 2016/17 - Substantial 2019/20 - Reasonable | | | 10 | | | |
| ICT Audits | | | | | | | |
| Network Infrastructure and Security | 2014/15 - Limited 2018/19 Reasonable | | | | | | |
| Change and Patch Management | 2021/22 - TBC | | | | | | |
| Remote Access | 2020/21 - Reasonable | | | | | | |
| Business Support Arrangements | 2018/19 Reasonable | | | | | 10 | |
| Disaster Recovery | 2017-18 Reasonable 2019/20 - Reasonable | | | 10 | | | |
| Information Management | 2021/22 -TBC | | | | | | |
| Applications review: Finance system HR system, Revenues and Benefits | New specific area | | | 10 | 10 | | |
| Data Quality | | | | | | 10 | |
| Cyber Security | 2019/20 - Reasonable | | | | 10 | | |
| Audits to be confirmed | | | | 0 | 0 | 0 | 20 |
| Follow Up of audit recommendations | | | | | | | |
| Follow up - internal audit recommendations | | | | 10 | 10 | 10 | 10 |
| Total number of days | | | | 174 | 206 | 192 | 140 |

APPENDIX 3 – ANNUAL INTENAL AUDIT PLAN 2022/23

| Audit Area | No of days | Q1 | Q2 | Q3 | Q4 | Notes |
|---|-------------------|-----------|-----------|-----------|-----------|--|
| Annual Opinion / Governance audits | | | | | | |
| Corporate Governance | 8 | | | 8 | | A medium risk is included on the corporate risk register regarding governance and decision making. A regular review of this area is undertaken to support the annual opinion. We will evaluate the controls to demonstrate the Council is following the constitution when making and reporting on key decisions. |
| Key Controls and Assurance | 10 | | | | 10 | This is an annual review of key controls and feeds into the Statement of Accounts, for those systems not subject to an audit review within the year more coverage will be provided in those areas. |
| Corporate Health and Safety | 10 | 10 | | | | This area has not been reviewed at the Council before. An audit of Corporate Health and Safety controls will establish the robustness of the H&S management system including, procedures, reporting of incidents/accidents/near misses, H&S Boards, staff training and risks assessments. |
| Risk Management | 6 | | 6 | | | A position statement will be provided by the HOIA to support the improvement of the risk management framework. This work will provide insight into risk articulation and reporting of corporate level risks. |

| Audit Area | No of days | Q1 | Q2 | Q3 | Q4 | Notes |
|--|------------|----|----|----|----|---|
| Fundamental Financial Systems | | | | | | |
| Accounts Payable (Insurance) | 12 | | | 12 | | These key financial systems feeds into the Statement of Accounts and annual HOIA Opinion and require regular review to confirm the adequacy and effectiveness of controls in this area. |
| Council Tax and National Non-Domestic Rates | 15 | | | 15 | | |
| Local Council Tax Support and Housing Benefits | 15 | | | 15 | | |
| Payroll and Human Resources | 12 | | | | 12 | These key financial systems feeds into the Statement of Accounts and annual HOIA Opinion and require regular review to confirm the adequacy and effectiveness of controls in this area. In addition a high scoring risk is being managed on the Corporate Risk Register relating to workforce capacity. This review will provide assurance on resource management controls. |
| Service area audits | | | | | | |
| Legal Services | 10 | 10 | | | | This area has not been audited at the Council before. Our review will provide assurance that legal services budgets are well managed. That legal services are instructed in line with procedures and the SLA between the Council and the provider is being upheld. |
| Property Services Operational | 10 | | | 10 | | This area has not been reviewed recently. A position statement will be provided to provide assurance over the Councils management of operational assets including Health and Safety related compliance and management of capital works required to maintain assets particularly for new temporary housing assets. |
| Pier Pavilion | 8 | | 8 | | | The Council has just agreed to extend the Pier Management contract for a further five years and is considering exploring a risk sharing approach for the 2022 Seaside Special Production. Internal Audit will provide assurance that adequate assurance is being received from the provider and that reputational and financial risks are being well managed. |

| Service area audits | | | | | | |
|---|----|--|---|--|----|---|
| Economic Growth | 10 | | | | 10 | This audit was deferred from the 2020/21 and 2021/22 plan. A high scoring risk has been raised in the Corporate Risk Register in relation to the impact of Covid-19 on local businesses and the wider economy. The Council has committed to boosting business sustainability and growth in the corporate plan. Due to Covid-19 some objectives have been delayed. This audit will review the progress against developing and implementing a new Economic Growth Strategy and provide assurance that opportunities for economic growth are being adequately evaluated, that existing projects are being well managed and that local businesses are being provided with the support required. |
| Building Control | 8 | | 8 | | | This audit was deferred from the 2020/21 plan to prioritise assurance on the Covid-19 Pandemic. Building Control was last reviewed in 2017/18. Our review will provide assurance over income and budget management, the service strategy and customer satisfaction assurance. |
| Development Management includes planning applications | 10 | | | | 10 | This area was last reviewed in 2019/20. New planning software has now been implemented. Our audit will provide assurance on the processing of applications in line with statutory requirements. |

| Audit Area | No of days | Q1 | Q2 | Q3 | Q4 | Notes |
|---|-------------------|-------------|-------------|-------------|-------------|--|
| ICT Audits | | | | | | |
| Applications review: Finance System Upgrade | 10 | 10 | | | | The Council is due to upgrade its Financial system in 2022/23. Internal Audit will support this project by providing a position statement, providing advice on project governance, financial controls and IT system implementation. |
| Disaster Recovery | 10 | | 10 | | | A number of improvements have been made to the Councils DR capabilities. An audit of Disaster Recovery will provide assurance that these improvements can be relied upon to support the timely recovery of systems during a critical incident. |
| | | | | | | |
| Follow Up - Internal Audit recommendations | 10 | 2.5 | 2.5 | 2.5 | 2.5 | Follow up of agreed internal audit recommendations to ensure that these have been appropriately addressed by management and the risks mitigated. |
| Total number of days | 174 | 32.5 | 34.5 | 62.5 | 44.5 | |