

Wednesday, 22 March 2023

Report of the Audit Manager

Internal Audit Plan and Charter 2023/24

Exempt Information

None.

Purpose

For the Audit & Governance Committee to comment on and endorse the 2023/24 proposed internal audit plan (**Appendix 1**) and charter (**Appendix 2**).

Recommendations

That the Committee comment on and endorse the 2023/24 proposed internal audit plan (Appendix 1) and charter (Appendix 2).

Executive Summary

Internal Audit is 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 (Public Internal Audit Standards).

The Audit & Governance Committee's consideration and endorsement of an effective audit plan, charter and protocol is an important element in providing assurance to the organisation that arrangements are in place to provide an independent and objective opinion on the adequacy of the internal control environment.

The proposed audit plan is detailed at **Appendix 1**. The planned approach for 2023/24 has directly linked the Council's Corporate Risks into the planned work for the forthcoming year.

The Audit Charter is detailed at **Appendix 2**. Changes have been made to the Charter to incorporate the recommendations made at the conclusion of the External Quality Assessment. These will include the ongoing development of the charter to ensure that recommendations are fully implemented by 31 March 2024. These improvements will include;

- an appropriate statement in the Charter with regard to the provision of an Annual Report and align this with regard to the benefit of aligning the internal audit planning process with continuous assessment of the risk environment, in support of the annual opinion.
- Review of Key Performance Indicators to compliment the work of the section.

Options Considered

None.

Resource Implications

Available resources have been considered and optimised and there is continuous review process in place to monitor plan delivery. Currently the service outsources 60 audit days in respect of general auditor services from BDO. Additionally we also source a further 20 days of IT Audit Services from E-TEC Business Services. The planned work also includes approximately 40 days of Principal Auditor services from Lichfield District Council. Regular quarterly updates are provided to Audit & Governance Committee.

Legal/Risk Implications Background

The audit planning process ensures that audit resources are directed to areas of most significant/highest risk.

Equalities Implications

None.

Environment and Sustainability Implications (including climate change)

None.

Background Information

None.

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List of Background Papers

Appendices

Appendix 1 – Audit Plan 2023/24
Appendix 2 – Audit Charter 2023/24