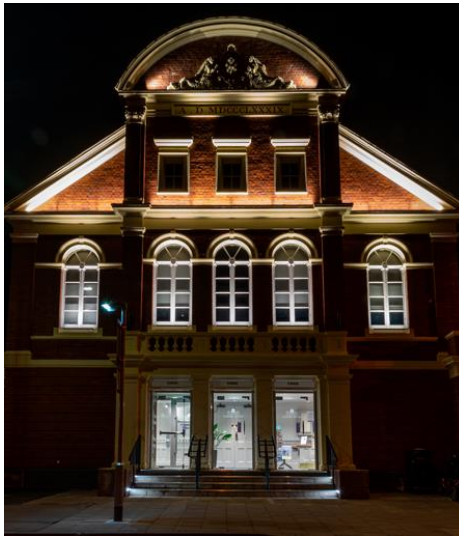


Internal Audit  
Draft Audit Plan & Charter 2023/24



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In the event of any questions arising from this report please contact Andrew Wood, Audit Manager [andrew-wood@tamworth.gov.uk](mailto:andrew-wood@tamworth.gov.uk)

The matters raised in this report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. This report was produced solely for the use and benefit of Tamworth Borough Council. The Council accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification.

## 01 Introduction

### Background

This report sets out the Internal Audit operational plan for Tamworth Borough Council (TBC) for endorsement by the Audit & Governance Committee. The purpose of this plan is to identify the work required to achieve a reasonable level of assurance to be provided by Internal Audit in compliance with the Code of Practice for Internal Audit.

The fundamental role of Internal Audit is to provide senior management and the Audit Committee with independent assurance on the adequacy, effectiveness and efficiency of the system of internal control, and to report major weaknesses together with recommendations for improvement. This role is fulfilled by carrying out appropriate audit work in accordance with an annual operational plan as endorsed by the Audit Committee.

### 02 Audit Planning

As part of the planning for 2022/23, the proposed plan of work has been developed based on:

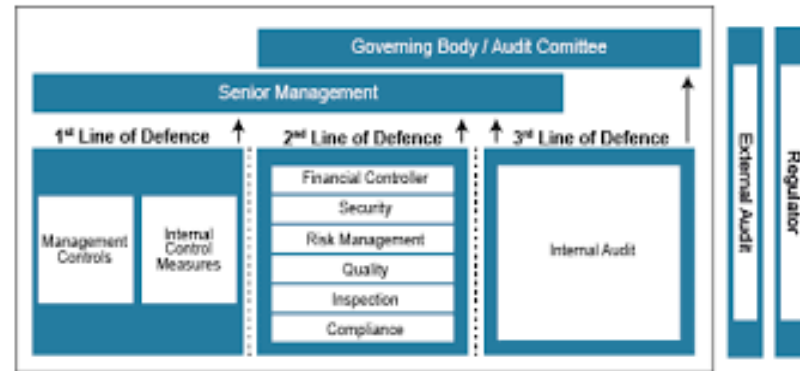
- **Key risks** – the plan for 2021/22 is based on an analysis of strategic and operational risks; strategic objectives; internal control and governance processes and other factors which may affect the year ahead, including any changes within the external environment and the sector .
- **Reference to previous assurance work** – a review of the outcome of previous audit and assurance work undertaken and where assurance is now required again.
- **Level of resources** – in 2020/21 a benchmarking exercise was undertaken to compare the level of audit resources with similar council's. Audit days were reduced from 318 days (2019/20) to 256 days

(2020/21) and 260 days (2021/22) to be competitive with peers. It is proposed to decrease the number of days slightly to 260 days during 2023/2024. The Council's risk profile has not changed year this year, is not unusual (a reasonable assurance opinion has been given for the last 3 years) and the level of fraud risk has remained low. For these reasons the 2023/24 draft plan resources have not materially changed.

- **Agile approach** – our approach will be one where we will respond to the changing assurance need, by having a level of contingency, we will be able to change the focus of the audits / audit deliver

Discussions with the Corporate Management Team (which include the Section 151 Officer) have been included and their views reflected in the final plan.

Our strategy is based upon a three lines of defence model of assurance:



Internal Audit seeks to identify assurances provided through the first and second lines of defence and selects the most appropriate method for obtaining assurance to support the Head of Internal Audit's opinion and the Council's governance requirements.

### **03 Internal Audit Plan**

The detailed audit plan at **Appendix 1** sets out the assurance requirement in terms of core financial systems; strategic and operational risk; ICT; governance, fraud and other assurance. The draft plan is for a total of 260 days and in particular seeks to provide assurance over areas of higher risk.

### **04 Joint Working**

During 2023/24 the shared service agreement with Lichfield District Council will end on 30 September 2023. Despite ongoing recruitment issues we have procured both IT Auditor and General Auditor Services and these have been extended as from 1 April 2023 for a further year the arrangement has been largely successful in terms of customer feedback and performance against KPI's (reported to Audit & Governance Committee in audit's routine performance reports).

During 2022/2023, as part of continued compliance with Public Sector Internal Audit Standards, we completed our External Quality Assessment and the findings/Action Plan will be implemented and reported quarterly to Audit & Governance Committee.

### **05 Charter**

The Audit Charter is at **Appendix 2**.

Appendix 01: Detailed Audit Plan 2022/23

Assurance Requirement	Audit	Scope	Risk	Planned Days	Total Days	Proposed Quarter
Core Financial Systems	Creditors	Risk based review covering the adequacy and effectiveness of controls around the maintenance of creditors systems.	CR1, CR6	10	20	Q2
	Procurement	Risk based review of Procurement systems to ensure controls in place for the adherence to procurement legislative requirements.	CR1, CR6	10		Q1
Strategic & Operational Risks	Business Continuity	Risk based review of the council's arrangements for business continuity.	CR1, CR2, CR3, CR6	10	95	Q2
	Corporate Policy Management	Risk based review of the council's arrangements for policy development, update and change. Incorporating reporting and approval requirements.	CR1, CR3, CR4, CR5, CR6	10		Q3
	Fees and Charges	Review of arrangements across the Council for the levying and charging for fees and charges .	CR1	10		
	Taxi Licences	Risk based review of the council's management arrangements for taxi licensing across the Borough, ensuring all checks both individual and vehicle are carried out and completed.	CR3, CR4, CR6	10		Q3
	Community Safety	Risk based review of Community Safety arrangements at the Council.	CR3, CR4, CR6	10		Q3
	Training & Development	Risk based review looking at the Council's arrangements for training and development.	CR2, CR6	10		Q1
	Safeguarding	Risk based review of the Council's controls around the safeguarding to ensure all legislative requirements are met and being consistently applied.	CR3, CR4, CR5, CR6	10		Q4
	Insurance	Risk based review to ensure that all insurable risks are identified and appropriately managed.	CR1	5		Q3
	Time recording & absence management	Risk based review to ensure that time recording system is appropriately managed and that a	CR2	5		Q1

Assurance Requirement	Audit	Scope	Risk	Planned Days	Total Days	Proposed Quarter
		consistent approach is maintained in respect of absence management.				
	Shared Services	Risk based review looking at key aspects of the council's shared services arrangements.	CR1, CR3, CR5	5		Q2
	Housing Voids	Risk based review looking at Housing Void arrangements to ensure properties are appropriately managed and void periods minimised.	CR1	10		
ICT	Remote Working	ICT review of the development of remote working solutions.	CR2, CR3	10	20	Q1-Q4
	Network Infrastructure	ICT review of the council's network infrastructure to ensure that it is maximised and 'downtime' minimised with the resolution of issues in a prompt manner by third party suppliers.	CR2, CR3	10		
Governance, Fraud & Other Assurance	Disabled Facilities Grant	Assurance statement		5		Q3
	Municipal Charities	Preparation of municipal charities accounts		2		Q3
	Counter Fraud	Work to support the mitigation of fraud risk, the provision of fraud awareness training, pro-active fraud exercises and reactive investigations.		10	53	Q1-Q4
	Future High Street Fund	Assurance based review with regards to Future High Street Fund		10		
	Risk Management	Review of Council's Risk Management processes		10		Q1-Q4
	Annual Governance Statement	Production of the AGS.		13		Q1-Q2
	Annual Audit Opinion	Production of the Annual Audit Opinion		3		Q1-Q2
	Follow Up of Recommendations	To follow up all no and limited assurance reports and all high priority recommendations.		15		Q1-Q4
	Management and Planning	Management, planning and assurance reporting to CMT and Audit & Governance Committee		30	72	Q1-Q4
	Ad hoc / Contingency / Consultancy	Contingency allocation to be utilised upon agreement of the Chief Finance Officer		22		Q1-Q4
	IA QAIP and PSIAS	Review of PSIAS standards and review		5		
<b>Total</b>					<b>260</b>	