



Report to: Audit and Governance Committee, 10th July 2024

**Report of: Head of Internal Audit Shared Service, Worcestershire
Internal Audit Shared Service**

Subject: INTERNAL AUDIT PLAN FOR 2024/25

1. Recommendation

1.1 That the Internal Audit plan for 2024/25 be approved, with or without amendments.

2. Background

2.1 The aims and objectives of the Worcestershire Internal Audit Shared Service are to:

- examine, evaluate and report on the adequacy and effectiveness of internal control, governance and risk management across the council and recommend arrangements to address weaknesses as appropriate;
- examine, evaluate and report on arrangements to ensure compliance with legislation and the council's objectives, policies and procedures;
- examine, evaluate and report on procedures to check that the council's assets and interests are adequately protected and effectively managed;
- undertake independent investigations into allegations of fraud and irregularity in accordance with council policies and procedures and relevant legislation; and
- advise upon the control and risk implications of new systems or other organisation changes, e.g. transformation.

3. Report

3.1 Formulation of the Annual Plan

WIASS operates an Internal Audit Charter which sets out the standards to which it operates for this Council. The Internal Audit Plan for 2024/25, which is included at **Appendix A**, is a risk-based plan which considers the adequacy of the Council's risk management, governance, performance management, other assurance processes as well as organisational objectives and priorities. It has been based upon the risk priorities per the corporate risk register. Large spend budget areas have also been considered, along with association to the City Plan. The Internal Audit Plan for 2024/25 has been agreed with the s151 Officer and is brought before Committee in draft form.

It has been formulated with the aim of supporting the Council to meet its strategic purposes, delivers its promises and has directly linked the various aspects to identify the 'golden thread' regarding the objectives and risk identification to service delivery. It is brought before the Audit and Governance Committee in draft format as the involvement of the Committee is considered an important facet of good corporate governance, contributing to the internal control assurance given in the Council's Annual Governance Statement.

Internal Audit recognises that there are other review functions which may provide other sources of assurance, both internally and externally, (e.g. ICT Public Service Network, Cyber Essentials, assurance testing) over aspects of the Council's operations. Where possible internal audit will seek to place reliance on such work thus increasing the coverage without adding additional costs.

To try to reduce duplication of effort internal audit understands the importance of working with the External Auditors. The audit plan is available to the external auditors for information.

By bringing a plan of work before the Audit and Governance Committee it allows Members to have a positive input into the audit work programme and make suggestions as to where they feel audit resources may be required under direction of the s151 Officer and within the finite resource available. Due to the continuing changing environment that exists in Local Government the plan must be seen as a framework for internal audit work for the forthcoming year. There is a need for improved flexibility in the plan due to a constantly changing risk profile. To ensure flexibility there is the possibility that the plan will be updated during the year to address such challenges and any emerging risks. It is planned that a regular review will take place to ensure the audit plan remains risk focused, and any required changes can be considered. This is in line with the requirements of the Public Sector Internal Audit Standards (PSIAS). Any changes will be submitted to the Audit and Governance Committee for consideration and approval, in line with its role as Gatekeeper.

3.2 Resource Allocation

The Internal Audit Plan has been based upon a resource allocation of 275 days, an allocation which has been agreed with the Council's s151 Officer. A summary of the days as well as the detailed plan provision has been included at Appendix A. Although all areas have been considered an assessment has been made whether to include in the plan based on the overall risk and governance profile, and the results of audit coverage over the last 4 years. The Head of Internal Audit Shared Service is confident that, with this resource allocation, he can provide management, external audit and those charged with governance with the assurances and coverage that they require over the system of internal control, annual governance statement and statement of accounts.

The draft Internal Audit Plan for 2024/25 is set out at **Appendix A**.

3.3 Operational progress against the Internal Audit Plan for 2024/25 will be closely monitored by the Head of Internal Audit and will be reported to the Shared Service's Client Officer Group (which comprises the s151 officers from partner organisations), and, to the Audit and Governance Committee on a quarterly basis.

Ward(s):	N/A
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Background Papers:	None