

Internal Audit Plan

2021-22(Q1)

West Sussex County Council



**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

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Introduction

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 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 Chief Internal Auditor 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 Executive Directors, Directors and Audit Sponsors, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with those responsible for the governance of the Council.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Neil Pitman, Head of Southern Internal Audit Partnership, supported by Karen Shaw, Deputy Head of Partnership; and Keith Phillips, Bev Davies, Iona Bond and James Short, Audit Managers.

Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the 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 September 2015 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally the IIA were excellently positioned to undertake the external assessment.

In considering all sources of evidence the external assessment team concluded:

*'It is our view that the Southern Internal Audit Partnership (SIAP) service generally conforms to **all** of these principles contained within the International Professional Practice Framework (IPPF); the Public Sector Internal Audit Standards (PSIAS); and the Local Government Application Note (LAGN).*

*There are **no instances** across these standards where we determined a standard below "generally conforms", and 4 instances where the standard is assessed as "not applicable" due to the nature of SIAP's remit.'*

Conflicts of Interest

We 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.

West Sussex County Council Reset Plan 2021/22 – 2024/25

In the development of the Reset Plan West Sussex County Council have recognised it needs to operate in a different context to that prior to the COVID-19 pandemic and have responded by building a new model of priorities for the next four years and beyond.

The Rest Plan acts as a framework for the Council to operate in a way that means they are clear on what they want to achieve and what they will do to achieve their priorities, but we are flexible to respond to whatever comes our way.



This plan sets out where the Council will focus its efforts over the next four years. It is set out and organised around four priorities with an underpinning theme of climate change.

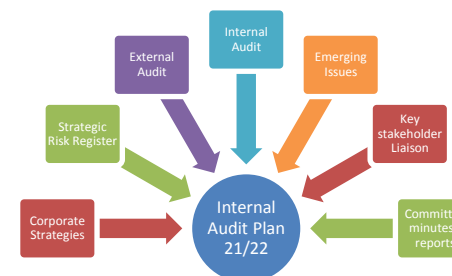
- **Keeping people safe from vulnerable situations**
- **A sustainable and prosperous economy**
- **Helping people and communities to fulfil their potential**
- **Making the best use of resources**

The priorities are underpinned by a range of 'outcomes' of things they will aim to achieve for people who live and work in the county and 'key performance indicators and targets to measure their progress and impact in achieving their stated outcomes.

Developing the internal audit plan 2021/22

We have used various sources of information and discussed priorities for internal audit with the following groups:

- Executive Leadership Team
- Directorate Management Teams
- Other Key Stakeholders
- Regulation, Audit and Accounts Committee



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.

With the unprecedented scale of COVID-19 coupled with the speed of its impact and the wide ranging challenges it has presented, the County Council have had to react promptly and positively to the complex issues raised to ensure that the essential services they provide and the best interest of the people they serve are protected and maintained.

In response to the continued uncertainty of the future impacts of COVID-19 coupled with the organisations prioritisations in responding to the crises the Southern Internal Audit Partnership have focused on producing an internal audit plan that initially covers the first quarter (April – June) of the 2021/22 financial period with a view to compiling the plan for the remainder of the year as the Council's journey out of the pandemic becomes clearer.

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. We will however continue to work closely with other assurance providers to ensure that duplication is minimised and a suitable breadth of assurance is obtained.

In light of the continued challenges presented through the COVID 19 pandemic the SIAP have adapted their operating model to work virtually through the use of a range of conferencing software.

All members of SIAP have the use of Teams, Skype and Zoom on their mobile devices that enable interaction with each of our clients. The team have quickly adapted to working virtually completing testing through liaison and screen sharing with clients who have equally engaged positively to the new and enforced approach.

Internal Audit Plan 2021-22 (Q1)

Audit Review	Directorate Sponsor	Potential Scope	Risk	Proposed Timing
Corporate Cross Cutting				
Reset Plan	CE	Integrity of data and systems to support established KPI's	-	Q1
COVID-19 Contingency	CE	To undertake grant certification work and provide assurance in respect new or emerging COVID related risks.	CR68 CR70	Q1
Keeping people safe from vulnerable situations				
Think Family	EDCY&L	Mandatory grant return	-	Q1
Firewatch	CFO	Review of controls in place to ensure key data held in the system is complete, accurate and up to date pending integration into Oracle	-	Q1
Communications and equipment	CFO	Following a recent visit by Ofcom, to review the structure and governance of the Information and Systems Group and the controls in place within fleet and engineering to manage pagers, radios and masts.	-	Q1
Adult's Contingency	EDA&H	Review areas to be determine following attendance at A&H Senior Management Team (24 March 2021)	-	Q1
A sustainable and prosperous economy				
Home to School Transport	EDPS	Full review of Home to School Transport provision following a previous limited assurance audit.	ES026	Q1
Highways Maintenance	EDPS	Review of contract management arrangements and effective delivery of the highways maintenance contract with Belfour Beattie	HTP56	Q1
Helping people and communities to fulfil their potential				
School Thematic Review(s)	EDCYP&L	Themes to be agreed with Executive Director / Director.	-	Q1

Audit Review	Directorate Sponsor	Potential Scope	Risk	Proposed Timing
SFVS	EDCY&L	Mandatory requirement - review of the SFVS returns to identify areas of weakness / non-compliance to inform School Thematic Reviews / Individual School Visits	-	Q1
Hammonds (Residential Care Home)	EDA&H	Establishment audit following a wider thematic review which focused on cash handling and reconciliations	-	Q1
Making the best use of resources				
People Framework	HR&OD	Assurance on delivery and embedding of the People Framework as an underpinning foundation to the Reset Plan	CR11	Q1
Smartcore (Oracle Fusion)	DF&SS	Assurance over project management and delivery of significant change programme.	FSS7	Q1
Fraud (Proactive / Reactive)	DF&SS	Range of proactive and reactive initiatives to help identify and mitigate the risk of fraud (see Fraud Plan).	-	Q1
Annual Governance Statement	DL&A	Review of the framework to develop and report the AGS.	CR7	Q1
Payroll	DF&SS	Cyclical review of core financial system		Q1
Contract Management	Corporate	Assurance on the deliverables of a selection of key contracts and the effectiveness of contract management arrangements		Q1
IT Contingency	DF&SS	Review areas to be determine following scheduled meeting with HoIT (1 March 2021)		Q1
Management and review				Q1

Audit Sponsor	
<p>Chief Executive</p> <p>Chief Fire Officer (CFO)</p> <p>Director of Human Resources and Organisational Development (HR&OD)</p> <p>Director of Law and Assurance (DL&A)</p> <p>Director of Finance and Support Services (DF&SS)</p>	<p>Executive Director Place Services</p> <p>Director of Highways and Transport (DH&T)</p> <p>Director of Environment and Public Protection (DE&PP)</p> <p>Director of Property and Assets (DP&A)</p> <p>Director of Communities (DC)</p>
<p>Executive Director, Adults & Health</p> <p>Director of Public Health (DPH)</p> <p>Joint Strategic Director of Commissioning (JSDC)</p>	<p>Executive Director of Children, Young People and Learning</p> <p>Director of Education and Skills (DE&S)</p>