

## **Regulation, Audit & Accounts Committee**

**23 July 2020**

### **Internal Audit Plan 2020/21**

#### **Report by Head of Southern Internal Audit Partnership**

##### **Executive Summary**

This report sets out the proposals for internal audit coverage for 2020/21.

##### **Recommendation**

The Committee is asked to approve the contents of the Internal Audit Plan for 2020/21 as shown in Appendix A and Fraud Plan 2020/21 as shown in Appendix B.

## **1. Introduction**

- 1.1 The purpose of this paper is to provide the Regulation Audit & Accounts Committee with an overview of the Internal Audit Plan 2020 – 2021 (Appendix A) and Fraud Plan 2020 – 21 (Appendix B)

## **2. Contextual Information**

- 2.1 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
  - Risks to the achievement of the County Council's objectives are identified, assessed and managed to a defined acceptable level.
- 2.2 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 remain proportionate and appropriately aligned to key areas of organisational risk.
- 2.3 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. The exceptional demands this crisis has placed on the County Council has necessitated new and different ways of working to navigate the unique challenges posed.
- 2.4 Such challenges and subsequent resolutions bring with them new and emerging risks that management need to consider, manage, and mitigate.

In response, the Southern Internal Audit Partnership has considered and incorporated emerging risk areas within the 2020-21 plan that more prominently present themselves or are born by the necessary or imposed actions to meet and address the crisis we currently face.

- 2.5 All auditable areas of review remain within the audit universe and are subject to ongoing assessment. The audit plan will remain fluid to ensure internal audits ability to react to the changing needs of the County Council.
- 2.6 Other reviews, based on criteria other than risk, may also be built into the work plan. These may include 'mandatory' audits or reviews requested or commissioned by management. Any commissioned review must be able to clearly demonstrate a contribution to the audit opinion on risk management, control and governance.

### **3. Resource Implications and Value for Money**

- 3.1 The 'internal audit charter' ensures the Chief Internal Auditor has sufficient resource necessary to fulfil the requirements and expectations to deliver an internal audit opinion.
- 3.2 Significant matters that jeopardise the delivery of the plan, or require changes to the plan are identified, addressed and reported to the Audit Committee.

### **4. Equality Duty.**

- 4.1 An Equality Impact Report is not required for this decision as report dealing with internal or procedural matters only

### **5. Risk Management Implications**

- 5.1 There are risks associated with services not addressing key management actions arising from the audit findings. Follow up audit review will be undertaken to ensure that agreed actions have been implemented. A report detailing the status of high priority management actions will be presented to each meeting of this Committee for monitoring to ensure that key risks are addressed on a timely basis.

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#### **Appendices**

Appendix A - Internal Audit Plan 2020-21

Appendix B – Fraud Plan 2020-21

#### **Background Papers**

None