



Proposed Internal Audit Plan

2023-2024

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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 organisations operation. 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’ (CIPFA and IIA).

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 and 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 achievements 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:

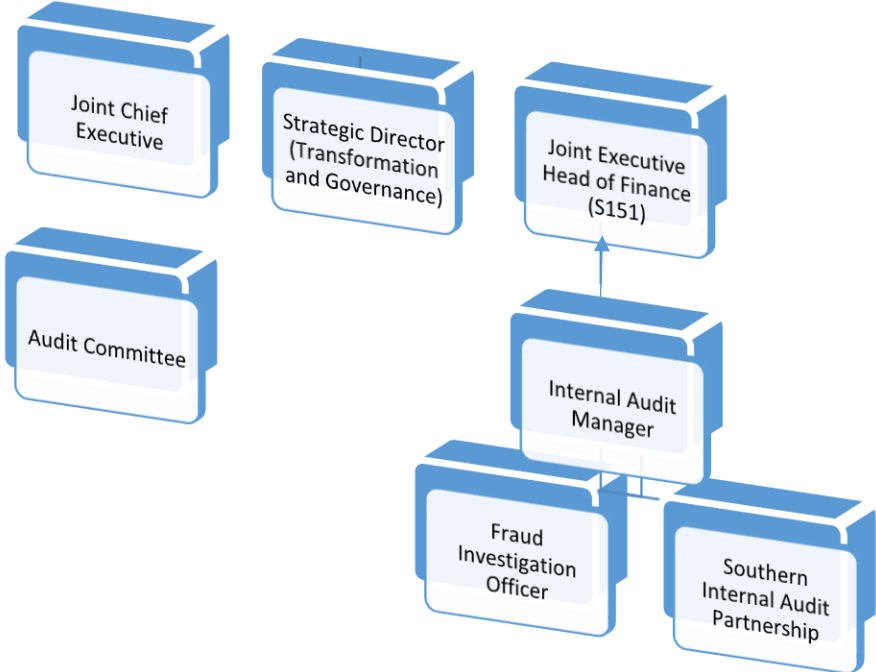
- The framework of internal control, risk management and governance is appropriate and operating effectively; and
- Risk to the achievement of the Council’s objectives is identified, assessed, and managed to a defined acceptable level

The internal audit plan provides the mechanism through which the Chief Audit Executive (Internal Audit Manager at WBC) 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 subject to ongoing review and amendment, in consultation with the relevant Strategic Directors, and Audit sponsors, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Internal Audit Manager’s continued contact and liaison with those responsible for the governance of the Council and the Audit Committee as included in the Audit Committees Terms of Reference.

Your Internal Audit Team

Your internal audit service is provided by the in-house team and supported by the external resource from the contractor Southern Internal Audit Partnership (SIAP). The in-house Internal Audit Team is led by Gail Beaton, Internal Audit Manager and Jose Ribeiro, Fraud Investigation Officer. The contractor Southern Internal Audit Partnership (SIAP), was setup and supported by Hampshire County Council, is led by Neil Pitman, Head of Southern Internal Audit Partnership.



Conformance with Internal Auditing Standards

Under the conformance of the Public Sector Internal Audit Standards (PSIAS) there is a requirement for audit services to have an external quality assessment every 5 years. Our contractors, SIAP, have undergone this assessment, which was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

‘The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles, and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles. We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.’

Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

Councils Corporate Strategy 2020-25

As part of the Councils Corporate Strategy our vision is that Waverley will be environmentally, economically and financially sustainable with healthy, inclusive communities and housing available for all who need it. We will promote:

- open, democratic and participative governance
- the value and worth of all residents, with opportunities for all, regardless of race, age, disability, religion, gender or sexual orientation, income or wealth
- high quality public services accessible for all
- a financially sound Waverley, with infrastructure and resilient services to fit for the future
- a strong, resilient local economy, supporting local businesses and employment
- housing to buy and rent, for those at all income levels
- effective strategic planning and development management which supports the planning and infrastructure needs of local

- a sense of responsibility by all, for our environment, promoting biodiversity, championing the green economy and protecting our planet
- the health and wellbeing of our communities

Our strategic priorities;

- ✓ Local, open, participative government
- ✓ Supporting a strong, resilient local economy
- ✓ Taking action on Climate Emergency and protecting the environment
- ✓ Good quality housing for all income levels and age groups
- ✓ Effective strategic planning and development management to meet the needs of our communities
- ✓ Improving the health and wellbeing of our residents and communities

The audit service will support the achievement of the vision through the work that will be completed to provide assurance that controls are in place to support and enhance the service outcomes contributing to the corporate vision and the ongoing financial sustainability for the council.

Council Risk

The council have a clear framework and approach to risk management which has involved members and officers working together to determine the authorities risk appetite. The strategic risks assessed by the Council are a key focus of our planning for the year to ensure it meets the organisation's assurance needs and contributes to the achievement of their objectives. We will monitor the strategic risk register closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

Developing the Internal Audit Plan 2023-24

The plan has been developed by the Internal Audit Manager, by completing a risk assessment of the council's audit universe (Auditable areas in the Council) and in consultation with Joint Management Team. Reference was also made to the Corporate Strategy and the council Risk Register and risk appetite as part of developing the plan. We have utilised various sources of information and discussed priorities for internal audit plan with the Section 151 Officer (Joint Executive Head of Finance). The audit plan reflects the Council's vision and strategies.

The Council is 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.

Proposed Areas to be covered in the Internal Audit Plan 2023/24

Audit Review	Audit Sponsor	Indicative Scope	Strategic Risk No.	Proposed Timings
Information Technology				
IT Business Continuity Disaster Recovery Planning (C/F 2022/23)	JEHC&CS	Assurance on the effectiveness of IT plan to protect the organisation from the effects of significant negative events, allowing the organisation to maintain or promptly resume mission-critical functions following a disaster.	27 & 32	Q1
Application IT system in service area/s				
Adelante (Income Management system)	JEHOF	Assess the functionality of the system and supporting control mechanisms, including the correct allocation of income received to the appropriate account.	33 & 34	Q3/4
Financial Management				
Preloaded Purchase Cards	JEHOF	Assurance that system is operating as intended for the use and recording of relevant expenditure.	33 & 34	Q1

Account Receivable/Sundry Debtors	JEHOF	Programme of Cyclical systems Reviews	33 & 34	Q1
Council Tax Base Maintenance	JEHOF	Programme of Cyclical systems Reviews	33 & 34	Q3
Capital Programme, monitoring and control	JEHOF & JEHOR&PP	To review the process and controls in place to monitor and control the Capital programme	33 & 34	Q4
Payroll	JEHOOD	Programme of Cyclical systems Reviews	33 & 34	Q3
Car Parking	JEHOCS	This review will cover the Parking Contravention Notices and how they are dealt with.	33 & 34	Q2
Green Waste (C/F 2022/23)	JEHOES	To review arrangements overview of the new system developed to provide assurance process is operating as intended	33 & 34	Q3
Corporate Systems				
Land Charges (C/F 2022/23)	JEHOL&DS	Review the process in the place to achieve the KPI information.		Q1
Mutual Exchanges (C/F 2022/23)	JEHOH	Review the process in place for Mutual Exchanges are in compliance with housing best practice.	17	Q1
Payment process for Repairs and Maintenance Contractor (C/F 2022/23)	JEHOH	Review the payments process to the Repairs and Maintenance Contractor		Q1

Homelessness Determinations	JEHOH	Review the process and criteria applied for decisions to be made re determining the council's legal responsibility to provide housing to applicants.	13	Q3
Property Maintenance (Non - Housing)	JEHOA&P	To review the process in place to monitor the maintenance plan for General Fund properties owned by the council.		Q3
Leisure Client Management	JEHOCS	Review arrangements for contract management of the New Leisure contract.		Q4
Energy Angels (Part of the Void Management process)	JEHOH	Assurance over the Energy Angels process, ensuring that all payments are applicable to WBC.	16	Q1
Gas Maintenance in Waverley Properties	JEHOH	To review the new arrangements in place with the new Gas contractor	16	Q2
Aids and Adaptations (Council Owned Properties)	JEHOH	To review the process in place to ensure timely placement of aids and adaptations	16	Q3
New Home Builds	JEHOR&PP	To review the monitoring arrangements in place to ensure achievement of the new build current objectives	19a & 19b	Q2
Careline (Debt Recovery Element)	JEHoCS	To review the effectiveness of the recovery process in relation to the Careline service.	17	Q1
S106 Agreements/Community Infrastructure Levy	JEHOR&PP	To review the process and controls in place to ensure accurate and timely collection of fees due.	24	Q3

Abandoned Vehicles	JEHORS	To review the process in place to ensure it meets with best practice and legal requirements.		Q3
Governance and Cross Cutting reviews				
Corporate complaints system	JEHC&CS	To provide assurance that the system in operation is working effectively to meet customer service standards and corporate performance indicators.	17	Q2
Procurement, tendering and contract documentation, sign off process, committee approvals where appropriate	JEHOF	To review the arrangements in place re governance and compliance with CPR's, Scheme of Delegation etc.		Q1
Insurance	JEHOF	Review of the current arrangements now that this is outsourced to another local authority		Q2
Other				
Fraud and Irregularities	Various	To operate in line with best practice <ul style="list-style-type: none"> • Proactive/Reactive • NFI –National exercises • SCFP Fraud Surveys		
Audit Management of the service				
Contingency				
Resource provision in days				419

Audit Sponsors	
JEHOF	<i>Joint Executive Head of Finance (S151) - Peter Vickers</i>
JEHOL&DS	<i>Joint Executive Head of Legal & Democratic Services – (Interim) Stephen Rix</i>
JEHOCS	<i>Joint Executive Head of Commercial Services - Kelvin Mills</i>
JEHORS	<i>Joint Executive Head of Regulatory Services - Richard Homewood</i>
JEHOR&PP	<i>Joint Executive Head of Regeneration & Planning Policy – Abi Lewis</i>
JEHoCS	<i>Joint Executive Head of Community Services – Sam Hutchison</i>
JCEO	<i>Joint Chief Executive Officer - Tom Horwood</i>
JSDOCW	<i>Joint Strategic Director of Community Wellbeing – Annie Righton</i>
JEHC&CS	<i>Joint Executive Head of Communications and Customer Services - Nicola Haymes</i>
JEHOH	<i>Joint Executive Head of Housing – Andrew Smith</i>
JEHOA&P	<i>Joint Executive Head of Assets and Property – Marieke Van Der Reijden</i>
JEHOP	<i>Joint Executive Head of Planning –(Interim) Gillian MacInnes</i>
JEHOES	<i>Joint Executive Head of Environmental Services – Chris Wheeler</i>
JEHOOD	<i>Joint Executive Head of Organisational Development – Robin Taylor</i>
JSDOT & G	<i>Joint Strategic Director of Transformation and Governance – Ian Doyle</i>
JSDOP	<i>Joint Strategic Director of Place – Dawn Rudd</i>