

Subject: Strategic and Annual Internal Audit Plans 2022/23

Report to: Audit and Risk Committee 7 March 2022

Report by: Faye Haywood, Head of Internal Audit for Gt Yarmouth Borough Council

SUBJECT MATTER/RECOMMENDATIONS

This report provides an overview of the stages followed prior to the formulation of the Strategic Internal Audit Plan for 2022/23 to 2025/26 and the Annual Internal Audit Plan for 2022/23.

The Annual Internal Audit Plan will then serve as the work programme for the Council's Internal Audit Services Contractor; TIAA Ltd.

It will also provide the basis for the Annual Audit Opinion on the overall adequacy and effectiveness of Great Yarmouth Borough Council's framework of governance, risk management and control.

1. INTRODUCTION / BACKGROUND

- 1.1 The Accounts and Audit Regulations 2015 require that "a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance".
- 1.2 Those standards are set out in the Public Sector Internal Audit Standards (PSIAS) which came into effect in April 2013.

2. INTERNAL AUDIT PLAN OF WORK

- 2.1 The attached report contains;
 - the Internal Audit Strategy, which is a strategic high-level statement on how the internal audit service will be delivered and developed in accordance with the charter and how it links to the organisational objectives and priorities;
 - the Strategic Internal Audit Plan, which details the plan of work for the next three financial years; and
 - the Annual Internal Audit Plan, which details the timing and the purpose of each audit agreed for inclusion in 2022/23.

3. FINANCIAL IMPLICATIONS

- 3.1 The Internal Audit Service is provided by way of a Partnership Agreement with South Norfolk Council, whereby South Norfolk Council provide the role of the Head of Internal Audit and Contract Manager to Great Yarmouth Borough Council, and the service provision i.e. delivery of the audits, is provided through a contract with TIAA Ltd.

4. **RISK IMPLICATIONS**

- 4.1 The Risk Based Internal Audit approach will ensure that the Council's key risks are accurately reviewed and updated and thus the Internal Audit Service is adding value and auditing the key risk areas.

5. **CONCLUSIONS**

- 5.1 The attached report provides the Council with Internal Audit Plans that will ensure key business risks will be addressed by Internal Audit, thus ensuring that appropriate controls are in place to mitigate such risks and also ensure that the appropriate and proportionate level of action is taken.

6. **RECOMMENDATIONS**

- 6.1 That Audit and Risk Committee notes and approves:

a) the Internal Audit Strategy;

b) the Strategic Internal Audit Plans 2022/23 to 2025/26; and

c) the Annual Internal Audit Plan 2022/23.

Area for consideration	Comment
Monitoring Officer Consultation:	Through EMT
Section 151 Officer Consultation:	Through meetings
Existing Council Policies:	N/a
Financial Implications:	Within the report
Legal Implications (including human rights):	N/a
Risk Implications:	Within the report
Equality Issues/EQIA assessment:	n/a
Crime & Disorder:	n/a
Every Child Matters:	n/a

Eastern Internal Audit Services



GT YARMOUTH BOROUGH COUNCIL

Strategic and Annual Internal Audit Plans 2022/23

Responsible Officer: Head of Internal Audit

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1. INTRODUCTION

- 1.1 The Accounts and Audit Regulations 2015 require that “a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) mandate a periodic preparation of a risk-based plan, which must incorporate or be linked to a strategic high-level statement on how the internal audit service will be delivered and developed in accordance with the charter and how it links to the organisational objectives and priorities, this is set out in the Internal Audit Strategy.
- 1.3 Risk is defined as 'the possibility of an event occurring that will have an impact on the achievement of objectives'. Risk can be a positive and negative aspect, so as well as managing things that could have an adverse impact (downside risk) it is also important to look at potential benefits (upside risk).
- 1.4 The development of a risk-based plan takes into account the organisation's risk management framework. The process identifies the assurance (and consulting) assignments for a specific period, by identifying and prioritising all those areas on which objective assurance is required. This is then also applied when carrying out individual risk-based assignments to provide assurance on part of the risk management framework, including the mitigation of individual or groups of risks.
- 1.5 The following factors have been considered when developing the internal audit plan:
 - The risk profile and maturity of the Council;
 - Previous assurance gradings given in each area;
 - Any declarations to avoid conflicts of interest;
 - The requirements of the use of specialists e.g. IT auditors;
 - Striking the right balance over the range of reviews needing to be delivered, for example systems and risk-based reviews, specific key controls testing, value for money and added value reviews;
 - Allowing contingency time to undertake ad-hoc reviews or fraud investigations as necessary;
 - The time required to carry out the audit planning process effectively as well as regular reporting to and attendance at Audit and Risk Committee, the development of the annual report and opinion and the Quality Assurance and Improvement Programme.
- 1.6 In accordance with best practice the Audit and Risk Committee should ‘*review and assess the annual internal audit work plan*’.

2. AUDIT CHARTER

- 2.1 There is an obligation under the PSIAS for the Charter to be periodically reviewed and presented. This Charter is therefore reviewed annually by the Head of Internal Audit to confirm its ongoing validity and completeness, and presented to the Section 151 Officer, Senior Management and the Audit and Risk Committee every two years, or as required for review. The Charter was last approved in 2021 and will therefore not need to be reviewed and approved by the Committee this year.
- 2.2 As part of the review of the Audit Charter the Code of Ethics are also reviewed by the Head of Internal Audit, and it is ensured that the Internal Audit Services contractor staff, as well as the

Head of Internal Audit and Internal Audit Trainee adhere to these, specifically with regard to; integrity, objectivity, confidentiality and competency. Formal sign off to acceptance of the Code of Ethics is retained by Eastern Internal Audit Services.

3. INTERNAL AUDIT STRATEGY

- 3.1 The purpose of the Internal Audit Strategy (**see Appendix 1**) is to confirm:
- How internal audit services will be delivered;
 - How internal audit services will be developed in accordance with the internal audit charter;
 - How internal audit services links to organisational objectives and priorities; and
 - How the internal audit resource requirements have been assessed.

4. STRATEGIC INTERNAL AUDIT PLAN

- 4.1 The overarching objective of the Strategic Internal Audit Plan (**see Appendix 2**) is to provide a comprehensive programme of review work over the next three years, with each year providing sufficient audit coverage to give annual opinions, which can be used to inform the organisation's Annual Governance Statement.
- 4.2 The coverage over the forthcoming three years has been discussed with Executive Leadership Team to ensure audits are undertaken at the right time, at a time where value can be added, as well as ensuring sufficient coverage for an Annual Opinion on the framework of governance, risk management and control.

5. ANNUAL INTERNAL AUDIT PLAN

- 5.1 Having developed the Strategic Internal Audit Plan, the Annual Internal Audit Plan is an extract of this for the forthcoming financial year (**see Appendix 3**). The plan includes the areas being reviewed by Internal Audit, the number of days for each review, the quarter during which the audit will take place and a brief summary and purpose of the review.
- 5.2 The Annual Internal Audit Plan for 2022/23 totals 249 days, encompassing 21 internal audit reviews, three of which cover IT processes.
- 5.3 Audit verification work concerning audit recommendations implemented to improve the Council's internal control environment will also be undertaken throughout the financial year.
- 5.4 Depending on any changes to the control environment over the year, the annual internal audit plan may need to be revised to respond to emerging risks. The Head of Internal Audit will regularly review the Corporate Risk Register and report through to the Committee any necessary changes to the plan of work.

APPENDIX 1 – INTERNAL AUDIT STRATEGY



EASTERN INTERNAL AUDIT SERVICES

INTERNAL AUDIT STRATEGY FOR 2022/23

1. Introduction

- 1.1 The Internal Audit Strategy is a high-level statement of;
- how the internal audit service will be delivered;
 - how internal audit services will be developed in accordance with the internal audit charter;
 - how internal audit services links to the organisational objectives and priorities; and
 - how the internal audit resource requirements have been assessed.

The provision of such a strategy is set out in the Public Sector Internal Audit Standards (the standards).

- 1.2 The purpose of the strategy is to define the objectives, function, the approach, resources and processes needed to achieve Internal audit service, providing a clear link between the Charter and the annual plan.
- 1.3 Throughout this strategy the term 'The Authority' or 'Authority' references any member of the Eastern Internal Audit Services Consortium. The term 'Audit Committee' is used throughout to refer to each Authorities Audit Committee or equivalent.

2. How the internal audit service will be delivered

- 2.1 The Role of the Head of Internal Audit and contract management is provided by South Norfolk Council to; Breckland, Broadland, North Norfolk, South Holland and South Norfolk District Councils, Great Yarmouth Borough Council, the Broads Authority and from April 2022, Norwich City Council. All Authorities are bound by a Partnership Agreement.
- 2.2 The delivery of the internal audit plans for each Authority is provided by an external audit contractor, who reports directly to the Head of Internal Audit at South Norfolk Council. Following a successful procurement exercise the new contract with TIAA Ltd will commence from 1 April 2022 ending 31 March 2028 with the option to extend for a further term of two plus two.

3. How internal audit services will be developed in accordance with the internal audit charter

3.1 Internal Audit objective and outcomes

- 3.1.1 Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Authority's operations. It helps the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

- 3.1.2 The outcomes of the internal audit service are detailed in the Internal Audit Charter and can be summarised as; delivering a risk-based audit plan in a professional, independent manner, to provide the Authority with an opinion on the level of assurance it can place upon the internal control environment, systems of risk management and corporate governance arrangements, and to make recommendations to improve these provisions, where further development would be beneficial.
- 3.1.3 The reporting of the outcomes from internal audit is through direct reports to senior management in respect of the areas reviewed under their remit, in the form of an audit report. The Audit and Risk Committee and the Section 17 Officer also receive:
- The Audit Plans Report, which is risk based and forms the next financial year's plan of work; and
 - The Annual Report and Opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.
- 3.2 Internal Audit Planning
- 3.2.1 A risk-based internal audit plan (RBIA) is established in consultation with senior management that identifies where assurance and consultancy is required.
- 3.2.2 The audit plan establishes a link between the proposed audit areas and the priorities and risks of the Authority considering:
- Stakeholder expectations, and feedback from senior and operational managers;
 - Objectives set in the strategic plan and business plans;
 - Risk maturity in the organisation to provide an indication of the reliability of risk registers;
 - Management's identification and response to risk, including risk mitigation strategies and levels of residual risk;
 - Legal and regulatory requirements;
 - The audit universe – all of the audits that could be performed; and
 - Previous Internal Audit plans and the results of audit engagements.
- 3.2.3 In order to ensure that the internal audit service adds value to the Authority, assurance should be provided that major business risks are being managed appropriately, along with providing assurance over the system of internal control, risk management and governance processes.
- 3.2.4 Risk based internal audit planning starts with the Authority's Business Plan, linking through to the priority areas and the related high-level objectives. The focus is then on the risks, and opportunities, that may hinder, or help, the achievement of the objectives. The approach also focuses on the upcoming projects and developments for the Authority.
- 3.2.5 The approach ensures; better and earlier identification of risks and increased ability to control them; greater coherence with the Authority's priorities; an opportunity to engage with stakeholders; the Committee and Senior Management better understand how the internal audit service helps to accomplish its objectives; and this ensures that best practice is followed.
- 3.2.6 The key distinction with establishing plans derived from a risk based internal audit approach is that the focus should be to understand and analyse management's assessment of risk and to base audit plans and efforts around that process.
- 3.2.7 Consultation with the Section 151 Officer and Senior Management takes place through discussion during which current and future developments, changes, risks and areas of concern are considered and the plan amended accordingly to take these into account.

3.2.8 The outcome of this populates the annual internal audit plan, which is discussed with and approved by senior management prior to these being endorsed by the Audit Committee. In addition, External Audit is also provided with details of the plans.

3.3 Internal Audit Annual Opinion

3.3.1 The annual opinion provides Senior Management and the Audit Committee with an assessment of the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

3.3.2 The opinion is based upon:

- The summary of the internal audit work carried out;
- The follow up of management action taken to ensure implementation of agreed action as at financial year end;
- Any reliance placed upon third party assurances;
- Any issues that are deemed particularly relevant to the Annual Governance Statement (AGS);
- The Annual Review of the Effectiveness of Internal Audit, which includes;
 - A statement on conformance with the Public Sector Internal Audit standards and the results of any quality assurance and improvement programme,
 - the outcomes of the performance indicators and
 - the degree of compliance with CIPFA's Statement on the Role of the Head of Internal Audit.

3.3.3 In order to achieve the above, Internal Audit operates within the standards and uses a risk based approach to audit planning and to each audit assignment undertaken. The control environment for each audit area reviewed is assessed for its adequacy and effectiveness of the controls and an assurance rating applied.

4. How internal audit services links to the organisational objectives and priorities

4.1 In addition to the approach taken as outlined in section 3.2 (Internal Audit Planning), which ensures that the service links to each Authorities objectives and priorities and thereby through the risk based approach adds value, internal audit also ensure an awareness is maintained of local and national issues and risks.

4.2 The annual audit planning process ensures that new or emerging risks are identified and considered at a local level. This strategy ensures that the planning process is all encompassing and reviews the records held by the Authority in respect of risks and issue logs and registers, reports that are taken through the Authority Committee meetings, and through extensive discussions with senior management.

4.3 Awareness of national issues is maintained through the contract in place with the external internal audit provider through regular "horizon scanning" updates, and annually a particular focus provided on issues to be considered during the planning process. Membership and subscription to professional bodies such as the Institute of Internal Auditors and the CIPFA on-line query service, liaison with External Audit, and networking, all help to ensure developments are noted and incorporated where appropriate.

4.4 Each Authorities risk profile will be evaluated throughout each year, and if required, amendments to the Internal Audit Plan will suggested for approval to ensure that Internal Audit coverage continues to focus on providing assurance over the Authorities key risks.

4.5 Coverage and testing plans for each audit are determined using the following principles:

- The number of days allocated to each review is considered based on the complexity of the area being audited factoring in audit scoping, testing time and quality assurance processes.
- Key management assurance controls will be prioritised during testing to confirm that risks identified by the service area and internal audit during scoping are being monitored and managed.
- Ordinarily, samples for each control tested will be selected to cover a 12-month period to ensure that internal audit coverage supports the annual internal audit opinion.
- Testing sample sizes will ordinarily be based on the frequency of the control. By way of example; for each key financial control carried out weekly, a sample of four, one in each quarter across the year will be selected.
- Testing samples will be selected randomly and objectively to provide a balanced view on the strength of the controls in place.
- Where applicable data analytics will be used to test 100% of the available sample. The Internal Audit team will aim to increase the opportunities to adopt data analytics in their work to provide greater levels of assurance.

5. How internal audit resource requirements have been assessed

- 5.1 The in-house Internal Audit team at South Norfolk Council consists of the Head of Internal Audit who is a Chartered professional and an Internal Audit Trainee, currently training to become part qualified with the Chartered Institute of Internal Auditors.
- 5.2 These resources are used to contract manage the outsourced provider effectively, ensuring that the key performance measures of the service are met on behalf of consortium members. The team also provides Internal Audit management support to one other Council outside of the Consortium.
- 5.3 The Internal Audit Trainee has recently been appointed to enhance continuity arrangements and contribute towards building succession opportunities within the Consortium.
- 5.4 Through utilising a contractor, the risk based internal audit plan can be developed without having to take into account the existing resources, as you would with an in-house team, thus ensuring that audit coverage for the year is appropriate to the Authority's needs and not tied to a particular resource.
- 5.5 A core team of staff is provided by the contractor to deliver the audit plan, and these staff bring with them considerable public sector knowledge and experience. These core staff can be supplemented with additional staff should the audit plan require it, and in addition specialists, e.g. information technology auditors, contract auditor, fraud specialists, can be drafted in to assist in completing the internal audit plan and focusing on particular areas of specialism.
- 5.6 All audit professionals are encouraged to continually develop their skills and knowledge through various training routes; formal courses of study, in-house training, seminars and webinars. As part of the contract with TIAA Ltd the contractor needs to ensure that each member of staff completes a day's training per quarter.

- 5.7 The above-mentioned arrangements ensure that the Internal Audit Service is able to respond effectively to the assurance needs of each Authority whilst ensuring that the core team used are sufficiently qualified and experience

APPENDIX 2 – STRATEGIC INTERNAL AUDIT PLAN

Audit Area	Last review & assurance	Associated Risk CRR	2022/23	2023/24	2024/25	2025/26	Internal Audit Coverage 2022/23 Justification	Responsible Officer
Annual Opinion / Governance audits								
Corporate Governance	2019/20 Reasonable 2020/21 - Reasonable	Risk 6 Compliance with UK GDPR - Medium Risk 21 Loss of Reputation - Medium	10		10		Medium risks have been raised around compliance with GDPR and loss of reputation resulting from a lack of transparency around decision making. Review scheduled in 2022/23 to provide assurance.	Karen Sly
Annual Governance Statement	2021/22 - Audit Due						Results of AGS audit 2021/22 pending.	Caroline Whatling
Risk Management	2018/19 - Reasonable 2021/22 - Audit Due			10		10	Results of Risk Management audit 2021/22 pending.	Karen Sly
Corporate Plan and Performance	2016/17 - Reasonable 2021/22 - Deferred	Risk 13 Changes in Government Policies - Medium Risk 14 Delivery of Long Term Strategic Objectives - Medium	10		10		Review postponed from 2021/22. Two medium risks raised in the strategic risk register in this area.	
Corporate Programme and Project Management	2021/22 - Audit Due	Risk 11 Management of Major Projects - Medium		12			Future High Streets and Towns fund arrangements reviewed as part of the 2021/22 audit. Awaiting results to determine if more assurance is required. Additional review booked in for 2023/24 as corporate projects such as Winter Gardens and Future High Streets/Towns Fund progresses.	Iain Robertson
Key Controls and Assurance	2019/20 Reasonable 2020/21 - Reasonable 2021/22 - Audit Due		16	11	16	11	Annual assurance audit	Karen Sly
Corporate Health and Safety	2018/19 - Reasonable		10				A new Agile working strategy has been approved and is due to be implemented. An audit is scheduled in 2022/23 to provide assurance over the management of operational assets and staff H&S.	James Wilson

Audit Area	Last review & assurance	Associated Risk CRR	2022/23	2023/24	2024/25	2025/26	Internal Audit Coverage 2022/23 Justification
Annual Opinion / Governance audits							
Equinox Enterprises	2017/18 - Limited 2019/20 - Reasonable				10		No significant risks raised in the Corporate Risk Register. Review scheduled for 2024/25.
Counter Fraud and Corruption Arrangements	2021/22 - Limited				10		Review scheduled to provide follow up assurance on limited assurance report.
Procurement and Contract Management	2018/19 Limited 2020/21 - Position Statement	Risk 18a Sufficient resources and resilience to ensure effective procurement - High Risk 18b Sufficient resources and resilience to ensure effective contract management - High	12			12	Period audit providing assurance on the annual governance statement. Medium risks raised on the Corporate Risk Register.
Fundamental Financial Systems							
Accountancy Services includes control accounts, banking, bank reconciliation, asset register, budgetary control and treasury management	2019/20 - Substantial 2021/22 - Audit Due	Risk 1 Financial Sustainability - Very High		16		16	Period audit providing assurance on the statement of accounts and annual governance statement.
Accounts Payable (includes insurance)	2018/19 Substantial 2020/21 Substantial	Risk 24 Gaps in Insurance Cover - Medium	12		12		Period audit providing assurance on the statement of accounts and annual governance statement.
Accounts Receivable	2019/20 - Reasonable 2021/22 - Audit Due			10		10	Period audit providing assurance on the statement of accounts and annual governance statement.
Income	2019/20 - Substantial 2021/22 - Substantial			8		8	Period audit providing assurance on the statement of accounts and annual governance statement.
Payroll and Human Resources (includes officer expenses)	2018/19 - Substantial 2020/21 - Reasonable	Risk 12 Workforce Capacity - High Risk 19 Change Management Medium	15		15		Period audit providing assurance on the statement of accounts and annual governance statement.
Council Tax and National Non-Domestic Rates	2019/20 - Reasonable 2021/22 - Audit Due			15		15	Period audit providing assurance on the statement of accounts and annual governance statement.
Housing Benefits and Council Tax Support	2019/20 - Substantial 2021/22 - Audit Due			15		15	Period audit providing assurance on the statement of accounts and annual governance statement.
Housing Rents	2018/19 Reasonable 2020/21 Reasonable		16		16		Period audit providing assurance on the statement of accounts and annual governance statement.

Audit Area	Last review & assurance	Associated Risk CRR	2022/23	2023/24	2024/25	2025/26	Internal Audit Coverage 2022/23 Justification	Responsible Officer
Contract Audit								
Capital Programme Contracts (General Fund & HRA)	2018/19 - Reasonable 2021/22 - Audit Due				12		Audit review 2021/22 pending.	Jane Beck
GY Norse including Repairs and Maintenance, Voids and Housing Compliance	2019/20 Reasonable 2021/22 - Limited			12			Audit of Void management due 2021/22. Audit of Housing Compliance due 2021/22. Invoicing - Limited 2021/22.	Jane Beck
GYB Services	2019/20 Reasonable			12			No significant risks raised in the Corporate Risk Register.	Paula Boyce
Leisure Trust	2016/17 - Reasonable				12		No significant risks raised in the Corporate Risk Register.	Michelle Burdett
Service area audits								
Event Management and Tourism	2016/17 - Limited	Risk 9 Event Management - Medium	10				Audit deferred from 2021/22. Strategic risk raised on Corporate Risk Register.	Clare Dyble
GYPT - Preservation Trust	2019/20 - Limited				10		Recommendations raised from 2019/20 review are now complete. Review scheduled for 2024/25.	
Early Help Hub	2017/18 - Reasonable	Risk 15 Lack of Community Cohesion/Community Tensions - Medium Risk 23 COVID-19 impact of response and recovery actions on the residents and businesses of the Borough - Medium		10			Two strategic risks raised regarding the impact of covid on local community and resident needs increasing. Coverage provided in Council House Services audit, Review scheduled to evaluate partnership working in 2023/24.	Paula Boyce
Legal & Governance								
Legal Services Arrangements	2016/17 - Reasonable			6			No significant risks raised in the Corporate Risk Register.	Karen Sly
Member Services	2015/16 - Position Statement					10	No risks raised on the corporate risk register.	Caroline Whatling

Audit Area	Last review & assurance	Associated Risk CRR	2022/23	2023/24	2024/25	2025/26	Internal Audit Coverage 2022/23 Justification
Planning							
Development Control - Strategic Planning Policy and Land Charges	2017/18 - Reasonable	Risk 16 - Infrastructure not being able to meet demand - Medium	10				Audit deferred from 2021/22. Strategic risk raised on Corporate Risk Register regarding local infrastructure.
Building Control - Planning Enforcement	2017/18 - Reasonable			10			No strategic risks raised on the Corporate Risk Register. 2023/24 audit will provide assurance over planning enforcement processes.
Section 106 Arrangements	2019/20 Reasonable			8			At request of Head of Service to evaluate the implementation of the strategy and mechanisms for managing triggers.
Environmental Services							
Civil Contingency Business Continuity	New specific area	Risk 3 Management of a flood incident - High Risk 10 Business Continuity - Medium	10				A review of Civil Contingency and Business Continuity has not been undertaken at the Council recently. Two risks have been raised in the Corporate Risk Register.
Environmental Services - Corporate Enforcement focus	2018/19 - Reasonable 2019/20 - Reasonable 2021/22 - Audit Due				12		Audit 2021/22 result due. Follow up assurance scheduled for 2024/25.
Licensing - see Environmental Services for 2021/22	2016/17 - Reasonable			10			Audit booked in for 2023/24 following team restructure.
Elections	2014/15 - Reasonable		10				Review last undertaken in 2014/15. New system coming online and changes to electoral registration have prompted an audit in 2022/23.
Private Sector Housing inc HMO's Selective Licencing	New specific area			10			Evaluation of selective licencing regime and HMO compliance scheduled for 2023/24.

Audit Area	Last review & assurance	Associated Risk CRR	2022/23	2023/24	2024/25	2025/26	Internal Audit Coverage 2022/23 Justification
Customer Services							
Contact Centre	2018/19 - Reasonable			10			Audit scheduled in 2023/24 to provide assurance on performance of contact centre.
Parking Services	2015/16 - Reasonable 2018/19 Reasonable				10		No strategic risks raised on the Corporate Risk Register.
Bereavement Services	2016/17 - Substantial		10				Area last reviewed in 2016/17 review therefore due. Audit to follow opening of Garden Tea Rooms.
Property and Asset Management							
Housing Asset Management	2018/19 Reasonable	Risk 20 Tree, Open and Play Spaces Management - High	12				Strategic risk raised in corporate risk register. Audit will provide assurance on open and play spaces management and cyclical planned maintenance programmes following service moving in-house.
Non housing Property and Asset Management					12		No significant risks raised.
Coastal Protection	2021/22 - Audit Due	Risk 4 Flood Defence and Coastal Protection - High			12		Review scheduled 2024/25 to provide assurance on Resilient Infrastructure Bid.
Markets	2019/20 - Reasonable			8			New market site coming online next year. Audit scheduled for 2023/24 following move.
Housing							
Housing Strategy and Affordable Housing	2012/13 - Reasonable 2019/20 - Reasonable				10		Coverage arranged to provide assurance on new potential 18 home social housing scheme.
Right To Buy	2017/18 - Reasonable			8			No significant issues raised. Numbers remain low. Coverage arranged for 2023/24.
Leasehold Management	2017/18 - Limited 2018/19 Reasonable				10		
Housing Needs, Allocations, Homelessness & Housing Register	2017/18 - Reasonable. 2020/21 - Position Statement	Risk 23 COVID-19 impact of response and recovery actions on the residents and businesses of the Borough - Medium	10				Whilst homelessness figures are reducing, strategic risk raised and new housing system comes online in 2022/23. Assurance will therefore be provided.
Housing Adaptations	2017/18 - Limited. 2019/20 - Reasonable					10	No significant issues raised.
Disabled Facilities Grants & discretionary loans	2018/19 - Reasonable		10				Periodically reviewed to support grant sign off.
Council House Services	New area	Risk 15 Lack of Community Cohesion/Community Tensions - Medium Risk 23 COVID-19 impact of response and recovery actions on the residents and businesses of the Borough - Medium	10				Area not reviewed before at the Council. White paper on Social Housing Tenant Charter has prompted a review into Councils preparedness for the outcomes of this. Two strategic risks raised with impacts on Social Housing residents particularly vulnerable residents.

Audit Area	Last review & assurance	Associated Risk CRR	2022/23	2023/24	2024/25	2025/26	Internal Audit Coverage 2022/23 Justification
Inward Investment							
Business Support Grants	2021/22 - Substantial						No significant issues raised. Assurance available upon request for remaining schemes.
Economic Development		Risk 2 Reduced Spending in Great Yarmouth - High Risk 5a Local/National Economy - High Risk 5b Impact of EU exit trade deal - Medium		10			Pathway to recovery plan approved by the Council. Audit scheduled to provide assurance over progress in 2023/24. Assurance provided over key projects to support the Economy in 2021/22.
Sports and Leisure	2018/19 - Limited			10			A limited assurance grading was given in 2018/19 however all recommendations have now been addressed and no significant issues raised.
Conservation & Heritage	New Area		10				Heritage Action zone projects reviewed in 2022/23.
ICT Audits							
Remote Access	2020/21 - Substantial					10	No significant issues raised.
Data Centre, Back Up and Disaster Recovery	2019/20 Reasonable				10		No significant issues raised.
Software Licensing	2021/22 - Audit Due						Awaiting assurance results 2021/22.
Starters, Movers, Leavers	2019/20 Reasonable	Risk 7a Information Security - Medium	10				Due to change in HR system. A review of Starters, Movers, Leavers processes would provide assurance over appropriate access and strategic risk raised under information security.
Change Control & Patch Management	2015/16 Limited 2021/22 - Audit Due						Awaiting assurance results 2021/22.
Network Infrastructure	2018/19 Reasonable				10		No significant issues raised.
ICT Contract Review & IT Strategy	2018/19 Reasonable					10	No significant issues raised.
Cyber Security	2019/20 Reasonable	Risk 7b Cyber Security - High Risk 7a Information Security - Medium	10				Two strategic risks raised regarding the impact cyber security incidents.
Digital Strategy	2021/22 - Audit Due	Risk 8 Data quality - Medium		10			Audit scheduled in 2023/24 to support data integration project.
Application Audits	Application upgrade audits.	Risk 22 IT systems capability and interaction - High	10	10	10		Audit coverage of HR system implementation planned 2022/23. Housing Application coverage in 2023/24 and Environmental Services system coverage planned for 2024/25.
IT Audit Coverage TBC			0	0	0	10	
Follow Up of audit recommendations							
All audit recommendations			16	16	16	16	
Total number of days			249	257	245	163	

APPENDIX 3 ANNUAL INTERNAL AUDIT PLAN 2022/23

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Annual Opinion / Governance audits						
Corporate Governance	10				10	A medium risk has been raised around compliance with GDPR and loss of reputation resulting from a lack of transparency around decision making. A corporate governance audit will provide assurance that the Council is following the constitution when making and reporting key decisions and will revisit GDPR recommendations raised in our 2018/19 audit.
Procurement and Contract Management	12			12		A limited assurance grading was given in this area 2018/19. Recommendations remain overdue. This audit will evaluate compliance with the Council's Contract Standing Orders and the Public Contract Regulations. This audit will also provide assurance that contract management is effective for a sample of Council contracts.
Corporate Health and Safety	10	10				This area was last reviewed in 2018/19 and given a reasonable assurance grading however a number of changes to working practices during the pandemic have resulted in a new Agile Working Strategy being agreed. This audit will focus on the new Health and Safety arrangements for staff and for operational assets that the Council manages.
Corporate Plan and Performance	10		10			This audit was deferred from 2021/22. Two medium risks have been raised in relation to achievement of the corporate plan in the corporate risk register. This audit will provide assurance that the corporate plan reflects the environment, that reliable information has been used to inform the process, that risks to delivery have been considered and that performance measures have been revised that are achievable yet challenging.
Key Controls and Assurance	16			16		This is an annual review of key controls and feeds into the Statement of Accounts, for those systems not subject to a full audit review within the year, coverage will be required.

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Fundamental Financial Systems						
Accounts Payable (includes insurance)	12				12	This key financial system feeds into the Statement of Accounts and requires regular review to confirm the adequacy and effectiveness of controls in this area.
Housing Rents	16				16	This key financial system feeds into the Statement of Accounts and requires regular review to confirm the adequacy and effectiveness of controls in this area.
Payroll and Human Resources (includes officer expenses)	15			15		This key financial system feeds into the Statement of Accounts and requires regular review to confirm the adequacy and effectiveness of controls in this area. In addition to Payroll Key Controls following implementation of the new system the audit will evaluate the Councils response to risks raised around workforce capacity.
Service area audits						
Bereavement Services	10			10		An audit has not been undertaken of this area since 2016/17 when a substantial opinion was given. Recent changes in the area including the opening of the 'Garden Team Rooms' and funeral services now being offered which have prompted audit coverage to be added to the plan.
Event Management and Tourism	10	10				This area was last audited in 2016/17 and given a Limited assurance grading and deferred from the 2021/22 plan. This review will focus on the arrangements for preventing risks in relation to event failure/closure or significant health and safety related incidents and focus on controls mentioned within the strategic risk register for controlling this risk within a medium score. The review will also assess the appropriateness of arrangements with GYTABIA Greater Yarmouth Tourism and Business Improvement Area Ltd and review income management controls.
Development Control	10			10		Our review of this area was deferred in 2021/22 to allow for a Head of Planning to be appointed. Our audit will provide assurance that the Council's planning processes are efficient and effective. We will provide assurance on the management of pre application fees, Committee reporting and decisions, and performance in relation to determining applications within the statutory timeframes.

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Civil Contingency and Business Continuity	10		10			A review of Civil Contingency and Business Continuity has not been undertaken at the Council recently. Two medium scoring risks have been raised in the Corporate Risk Register regarding the ability to respond to a flooding incident and services to residents would continue during an incident. This audit will provide assurance that the Council has the necessary plans and capabilities to respond to incidents effectively.
Elections	10		10			This area has not been audited since 2014/15. New elections software is due to be implemented. This audit will provide assurance over electoral registration and electoral management processes in preparation for the 2023 election whilst considering the potential impacts of changes to voter identity checks.
Housing Asset Management	12	12				A Position Statement will be carried out on the Councils housing asset management strategy. An audit of this area has not been carried out recently. The review will focus on the development of the housing asset management plan considering the compliance with the decent homes standard and approach to stock condition surveys. Improvements will be suggested where applicable to feed into the Councils planned maintenance process.
Housing Needs, Allocations, Homelessness & Housing Register	10		10			Whilst homelessness figures are reducing, a strategic risk has been raised relating to the potential for an increase in homelessness due to impacts of the pandemic and cost of living. A new housing system also comes online in 2022/23. This audit will provide assurance that the service is being delivered in line with statutory obligations such as action taken to prevent homelessness.
Council Housing Services	10	10				This area has not been audited at the Council before. Two strategic risks raised relating to community cohesion and ongoing impact of Covid-19 on social housing tenants particularly vulnerable residents. This audit will evaluate the processes in place to manage ASB, the management of resident complaints and consider how the Council is preparing for the white paper on Charter for Social Housing Residents.

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Disabled Facilities Grants & discretionary loans	10	10				This audit was last carried out in 2018/19 and given a reasonable assurance grading. This work is carried out periodically to support the DFG grant return. A sample of cases will be selected for full review to provide assurance that DFGs are being approved and managed appropriately.
Conservation & Heritage	10	10				The Council is managing a number of Heritage Action Zone projects which this audit will provide assurance on, verifying that grants are being suitably awarded approved and project progress monitored.
ICT Audits						
Cyber Security	10				10	Strategic risks have been raised in the Corporate Risk Register relating to the impact of a critical cyber security incident. An audit of this area was carried out in 2019/20, however the threat from this risk continues to increase. A cyber security maturity assessment will be carried out to establish the Council's current level of control for preventing an attack from being successful.
Starters Movers Leavers	10			10		An audit of this area was undertaken in 2019/20 and was given a reasonable assurance grading however risks in the corporate risk register regarding information security and a change to the HR/Payroll system have prompted an audit of starters/leavers/movers processes to ensure that strong controls are in place for access to core systems containing sensitive/personal data particularly as the Council moves to more cloud based applications.
Application Audit - HR and Payroll	10	10				A new HR/Payroll Audit goes live in early 2022. The IT and general audit team will be proactively involved in providing advice on the design of controls within the system reviewing system documentation and segregation of duty processes to ensure they provide adequate control over transactions.
Follow Up of audit recommendations						
All audit recommendations	16	4	4	4	4	Bi-monthly follow up of agreed audit recommendations
Total number of days	249	76	44	77	52	