

Crawley Borough Council

Report to the Audit Committee

12 March 2024

Internal Audit Plan 2024/2025

Report of the Head of Corporate Finance – FIN/655

1. Purpose

- 1.1 The purpose of this paper is to present the Internal Audit Plan 2024-25 to the Audit Committee in accordance with the requirements of the Public Sector Internal Audit Standards.

2. Recommendations

- 2.1 The Committee is requested to approve the Internal Audit Plan 2024-25 as attached.

3. Reasons for the Recommendations

- 3.1 The Committee has a responsibility to approve the Internal Audit Plan in accordance with the Public Sector Internal Audit Standards.

4. Background

- 4.1 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 Council's objectives are identified, assessed and managed to a defined acceptable level.
- 4.2 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.
- 4.3 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 Council.
- 4.4 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.
- 4.5 Appendix A provides a copy of the Internal Audit Plan 2024-25 (draft) for review and comment.

5. Implications

- 5.1 The Internal Audit Plan provides an overview of the audit work to be undertaken to enable the Chief Internal Auditor to form an annual report and opinion used to inform the Council's Annual Governance Statement.

6. Background Papers

- 6.1 None.

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Southern Internal Audit Partnership

Assurance through excellence
and innovation

CRAWLEY BOROUGH COUNCIL INTERNAL AUDIT PLAN 2024-25

Prepared by: Iona Bond, Assistant Head of Partnership

February 2024

APPENDIX A

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.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The strategic lead will be Iona Bond, Assistant Head of Partnership, supported by Vanessa Anthony, Audit Manager.

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 2020 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:

'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 which are required to be disclosed under internal auditing standards.

Crawley Borough Council – Corporate Priorities 2023 - 2027

The purpose of the Council’s corporate priorities 2023 to 2027 document is to set out their strategic direction for the four-year period. This is linked to the administration’s Manifesto, the Budget Strategy and the Transformation Plan.

The corporate priorities consist of six key headline priority objectives which are underpinned by 33 objectives, projects and initiatives.

The six priorities are:

- **Delivering value for money and modernising the way we work**
- **Delivering affordable homes for Crawley and addressing homelessness**
- **Enabling a sustainable economic recovery and improving job opportunities**
- **Reconnecting communities**
- **Providing high quality leisure and culture facilities and supporting health and wellbeing services**
- **Protecting the environment**

Developing the Internal Audit Plan 2024/25

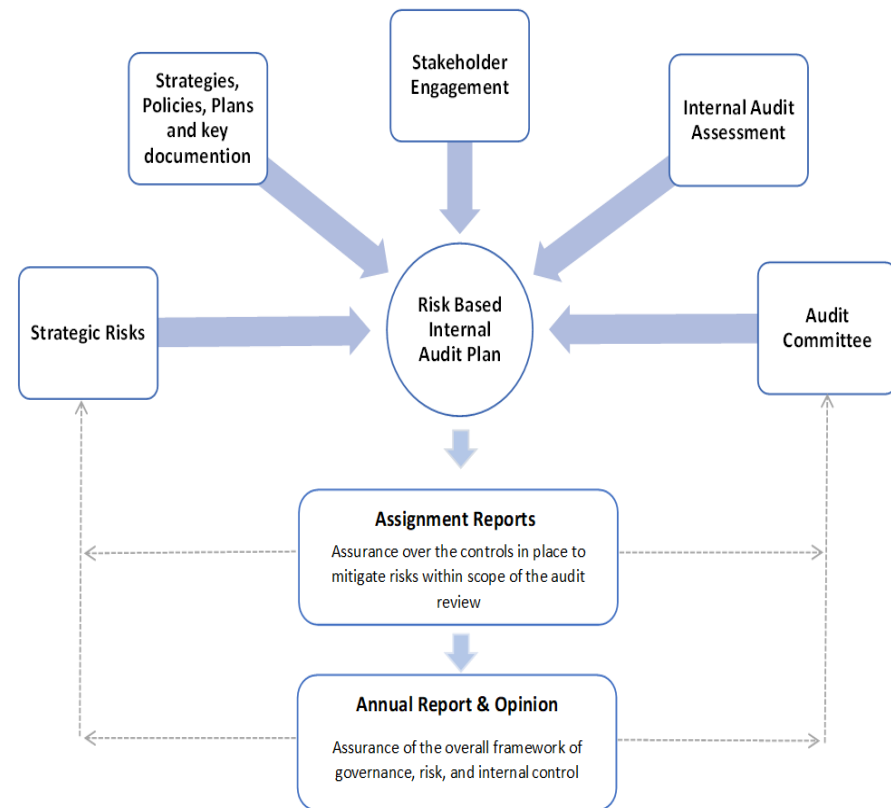
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation’s goals.

Based on conversations with key stakeholders, review of risk registers, key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed an annual audit plan for the coming year.

Audit planning is a perpetual process throughout the course of the year to ensure we are able to react to new and emerging risks and the changing needs of the organisation.

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.



Internal Audit Plan 2024-25

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Corporate and Governance				
Asset Management (corporate estate)	Head of Commercial Services Head of Community Services Head of Corporate Finance	Assurance over the governance and management of reactive and proactive maintenance of the corporate estate.		Q4
Safeguarding	Head of Community Services	To ensure effective policies and procedures are in place and training provided to staff along with appropriate statutory checks.		Q3
Risk Management	Head of Governance, People and Performance	Assurance over the risk management framework including governance, transparency and maturity.		Q1
Human Resources and Organisational Development	Head of Governance, People and Performance	Assurance against key services / risk over a cyclical period, to include: · Workforce Strategy / Development · Performance Management · Absence Management · Recruitment · Training & Development · Use of Agency Staff · Use of Volunteers. Scope for 2024/25 to be determined.	✓	Q4

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Information Governance	Head of Governance, People and Performance	Assurance over information governance arrangements in place for data retention, storage and handling.	✓	Q3
IT				
User Access – Set Up and Permissions	Head of Digital and Transformation	Assurance over the controls in place for setting up and removing access to Council IT systems.		Q4
IT Contingency	Head of Digital and Transformation	TBC		Q2/3
Core Financial				
Accounts Payable	Head of Corporate Finance	Cyclical review as a key financial system.		Q2
Council Tax	Head of Corporate Finance	Cyclical review as a key financial system.		Q3
Housing Benefits	Head of Corporate Finance	Cyclical review as a key financial system.		Q1
Delivering value for money and modernising the way we work				
Medium Term Financial Planning	Head of Corporate Finance	Framework in place to assess the ongoing financial resilience of the Council (MTFS assumptions etc). Implications on future saving programmes / work streams.	✓	Q2
Commercial Properties	Head of Corporate Finance	Assurance over the governance and processes in place to manage the commercial property portfolio.		Q3

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Delivering affordable homes for Crawley and reducing homelessness				
Homelessness	Head of Strategic Housing	Assurance over the governance arrangements in place for the administration of migration and asylum seekers.	✓	Q3
Statutory Checks - Water Safety	Head of Crawley Homes	Assurance over the arrangements in place to ensure that all required legislative checks are being conducted and any remedial works identified are undertaken in a timely manner for the Council's housing stock.		Q1
Leasehold Management	Head of Crawley Homes	Assurance over the process and controls in place for the identification and invoicing for leasehold property management charges.		Q2
Tenancy Management	Head of Crawley Homes	Assurance over the process and controls for managing the tenancies of the Council's housing stock.		Q3
Cleaning and Clearance	Head of Crawley Homes	Assurance over the health and safety controls in place for the management of a fleet of vehicles and workforce undertaking cleaning, clearance and maintenance within the community (grass cutting, clearing, dog bins, etc).		Q1
Protecting the Environment				
Refuse Collection and Recycling	Head of Commercial Services	TBC	✓	Q2
Improving job opportunities and developing the local economy				
Crawley Growth Programme	Head of Economy and Planning	Assurances over the processes in place for awarded Crawley Growth Programme Funding. This would be in accordance with any grant determination(s) in place.	✓	Q3

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Towns Fund	Head of Corporate Finance Head of Economy and Planning	Assurances over the processes in place for awarded Towns Fund Programme Funding. This would be in accordance with any grant determination(s) in place.	✓	Q1
Creating Stronger Communities				
Community Grants	Head of Community Services	Assurance over the framework of governance in place for the award of grant monies from the Council's strategic grants programme.		Q2
Disabled Facilities Grants	Head of Strategic Housing	Assurance over the administration and awarding of grants in line with local / legislative requirements.		Q3
Other				
Parking (and Enforcement)	Head of Community Services	Assurance over collection of car park income (end to end review from point of pay to banking and reconciliation).		Q4
Vehicle Workshop/Fleet management	Head of Commercial Services	Assurances over the processes in place for the management and operation of the Council's fleet, including maintenance, inspections and MOT's.		Q1
Environmental Health	Head of Community Services	Assurance over the processes in place to manage regulatory activities, e.g. food safety, pollution control, enforcement. For 2024/25 reviews will be undertaken on Health and Safety Licensing and Food Safety.		Q2
Miscellaneous				
Management				Q1 – Q4
Total Days				393