

# Cotswold District Council

## Proposed Internal Audit Plan 2024/25

## Internal Audit Planning 2024/25

The internal audit plan represents a summary of the proposed audit coverage that the internal audit team will deliver throughout the 2024/25 financial year.

### Introduction and Objective of the Audit Plan

Internal audit provides an independent and objective opinion on the Authority's risk management, governance, and control environment by evaluating its effectiveness.

Prior to the start of each financial year, SWAP, in conjunction with senior management, put together a proposed plan of audit work. The objective of our planning process and subsequent plan is to put us in a position to provide a well-informed and comprehensive annual audit opinion, based on sufficient and appropriate coverage of key business objectives, associated risks, and risk management processes.

The outcomes of each of the audits in our planned programme of work, will provide senior management and Members with assurance that the current risks faced by the Authority in these areas are adequately controlled and managed.

When reviewing the proposed internal audit plan (as set out in Appendix 1), key questions to consider include:

- Are the areas selected for coverage this coming year appropriate?
- Does the internal audit plan cover the organisation's key risks as they are recognised by the Senior Management Team and Audit Committee?
- Is sufficient assurance being received within our annual plan to monitor the organisation's risk profile effectively?

## Internal Audit Planning 2024/25

The proposed 2024/25 plan presented in Appendix 1 provides coverage of the Authority's key corporate objectives and risks as well as core areas of recommended coverage.

**Internal audit is only one source of assurance and should be considered as such.**

### Update to Approach

Due to the pace of change within Local Authorities, it is becoming increasingly difficult to accurately predict longer-term key organisational risks. Our approach to internal audit planning recognises this through a strategic 12 month rolling plan, whereby we have prepared an agile, risk assessed work plan containing key areas of coverage. This approach will ensure we are auditing the right areas, with the correct scope, at the right time.

We will revisit and adjust our programme of work on at least a quarterly basis to ensure alignment with the changing risk profile of the organisation's operations, systems and controls and with regard to sector risks. The regular input of Senior Management and review of the Authority's risk register will be considered in this process. Our 2024/25 audit plan will contain an element of contingency in order that the plan can remain flexible and respond to new and emerging risks as and when they are identified and may include unannounced activity.

The proposed audit plan at Appendix 1 provides coverage of the Authority's key corporate objectives and risks, as well as our core areas of recommended audit activity.

Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. Internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.

# Internal Audit Planning 2024/25

Our documented risk assessment helps to ensure that sufficient and appropriate areas are identified for consideration in our internal audit programme of work.

As above, it is the responsibility of the Authority's Senior Leadership Team, and the Audit Committee to ensure that, with consideration of our risk assessment, the overall programme of work throughout the year contains sufficient and appropriate coverage.

## Internal Audit Risk Assessment (updated)

Our 2024/25 internal audit programme of work is based on a documented risk assessment, which SWAP will revisit regularly, but at least annually. The input of senior management as well as review of the Authority's risk register has been considered in this process.

Below we have set out a summary of the outcomes of the risk assessment for Cotswold District Council



*It should be noted that the audit titles and high-level scopes included below are only indicative at this stage for planning our resources. At the start of each audit, an initial discussion will be held to agree the specific Terms of Engagement for the piece of work, which includes the objective and scope for the review.*

Core Audit Areas – Areas of Coverage and Brief Scope	Responsible Officer
<p><b>Core Financials – Publica Controls and Transactional Testing</b>  <i>A review of the controls operating within Publica in respect of the Core Financial systems:</i></p> <ul style="list-style-type: none"> <li>• <i>Accounts Payable (Creditors)</i></li> <li>• <i>Accounts Receivable (Debtors)</i></li> <li>• <i>Treasury Management</i></li> <li>• <i>Bank Reconciliation</i></li> <li>• <i>Main Accounting – Assessment of Compliance with CIPFA Financial Management Code</i></li> <li>• <i>Procurement – suggested area to be agreed with BM based on highest risk to organisations</i> <ul style="list-style-type: none"> <li>- <i>Review to ensure procurement of new contracts is in accordance with the updated, and approved, strategy</i></li> <li>- <i>Assessment of Compliance with Commercial Continuous Improvement Assessment Framework</i></li> </ul> </li> </ul>	<p><b>Business Services</b></p>
<p><b>Human Resources</b></p> <ul style="list-style-type: none"> <li>• <i>Payroll – area of audit to be agreed with BM based on highest risk to organisations</i></li> <li>• <i>Human Resources – area of audit to be agreed with BM based on highest risk to organisations</i> <ul style="list-style-type: none"> <li>- <i>Input into Business World – Officer Output – Monitoring of Employee Output</i></li> </ul> </li> </ul>	<p><b>Organisational Effectiveness</b></p>
<p><b>Revenues and Benefits</b>  <i>A review of the controls operating in respect of:</i></p> <ul style="list-style-type: none"> <li>• <i>Council Tax</i></li> <li>• <i>National Non-Domestic Rates</i></li> <li>• <i>Housing Benefit and Council Tax Support</i></li> </ul> <p><i>Scope to be confirmed</i></p>	<p><b>Residents’ Services</b></p>
<p><b>ICT Audits</b>  <i>Audits to be discussed and confirmed with the Chief Technology Officer and ICT Audit and Compliance Manager</i></p>	<p><b>Business Services</b></p>
<p><b>Regulatory Services</b>  <i>A review of either Licensing / Building Control / Environmental Health – suggested area to be reviewed is Licensing.</i>  <i>A review of an element of Planning e.g. application processing, appeals, income allocation.</i>  <i>Area and scope to be confirmed</i></p>	<p><b>Residents’ Services</b></p> <p><b>Planning and Sustainability</b></p>

## Internal Audit Planning 2024/25

Proposed Audit Areas – Areas of Coverage and Brief Scope	Responsible Officer
<b>Business Grant Post Payment</b> <i>Head of IA working with CFEU Manager re. recovery of overpayment of grants, Bad Debt information to BEIS</i>	
<b>Counter Fraud and Enforcement Unit</b> <i>Review to include processes operated by CFEU, access to data, reporting and governance</i>	
<b>Emergency Planning</b> <i>Review to ensure new processes are effective</i>	
<b>Risk Management</b> <i>Escalating Operational / Strategic Risks</i> <i>Review to assess how high scoring operational / strategic risks are included on the Council's Corporate Risk Register, to ensure Statutory Officers are aware of any potential risks to the Council and can suggest measures for mitigation</i>	<b>Organisational Effectiveness</b>
<b>Planning Performance Agreements</b> <i>Review control and transparency of Planning Performance Agreements</i>	
<b>Climate Change</b> <i>Follow-Up of 2023/24 audit and assessment of the Councils' commitment to Carbon Reduction targets / Climate Emergency</i>	
<b>Carbon Reduction</b> <i>Review to assess how carbon data is measured ensuring the Council continues to meet its commitment to carbon reduction.</i>	<b>Planning and Sustainability</b>
<b>Biodiversity – Compliance for Councils</b> <i>Review to ensure the Council is meeting its obligations in respect of Biodiversity Legislation. Biodiversity Net Gain</i>	
<b>Environment Legislation</b> <i>Review to ensure procedure / systems have been updated to ensure compliance with Environment Act</i>	
<b>Members Allowances</b> <i>Treatment of VAT and appropriateness of Claims</i>	
<b>Public Meetings</b> <i>Policy / Procedure / Training / Safeguarding / Constitution updated re webcasting</i>	
<b>Performance Management</b> <i>Health check of Performance Data, review of data quality, validity etc to include Planning Service Data</i> <i>Reporting of Programmes and Projects</i>	<b>Commercial Development</b>



## Internal Audit Planning 2024/25

<p><b>Household Support Grants</b>  <i>Ensure payments made from Government Funding have been allocated / spent in accordance with guidance (Foodbank / Baby Account)</i></p>	<p><b>Communities</b></p>
<p><b>Leisure and Culture Facilities</b>  <i>Review to determine how the Council ensures the leisure service provider(s) are adhering to statutory Health and Safety regulations. Review to include the examination of tests such as fixed wire testing, fire alarm systems and emergency lighting tests.</i></p>	
<p><b>Property and Estates (Compliance and Health and Safety)</b>  <i>Follow-Up of 2023/24 Audits</i></p>	<p><b>Property and Regeneration</b></p>
<p><b>Taxi Licensing Safeguarding</b>  <i>Follow-Up of 2023/24 Audit</i></p>	<p><b>Residents' Services</b></p>
<p><b>Procurement Cards</b>  <i>Follow-Up of 2022/23 audit and to assess adherence to new policy / scheme</i></p>	<p><b>Business Services</b></p>
<p><b>Preparedness for the switch from Analogue to Digital in 2025</b>  <i>Ensure preparedness of the Council for services the switch from analogue to digital will affect e.g. lifeline / careline service, lift telephones, fax machines etc</i></p>	<p><b>Business Services</b></p>
<p><b>Digital Discrimination</b>  <i>Ensure all channels of communication are made available (for all services / consultations) to customers and stakeholders</i></p>	<p><b>All</b></p>
<p><b>Data Retention</b>  <i>Review the Council's data retention policies for accuracy and compliance.</i></p>	
<p><b>Publica Transition Programme</b>  <i>Time allocated to support the Publica Transition Programme and Workstreams</i></p>	
<p><b>Programmes and Projects</b>  <i>Time allocated to support Programmes and Projects – service areas may include Leisure and Waste</i></p>	
<p><b>Proposed audits will be considered, during the year, and discussed with Business Managers, Assistant Directors, CFOs and / or CEOs to confirm scope, timing and if it remains appropriate to undertake the audit. Liaison meetings will also identify any further areas (not included above) that would benefit from an Internal Audit Review. The Audit Plan will be updated, and agreed with CFOs as necessary</b></p>	
<p><b>Further requested assurance / advisory / support work</b></p>	

Other Audit Involvement	
<p><b>Management</b>  <i>Preparation of IA Monitoring Reports and preparation and attendance at Audit and Governance Committee. Annual Audit Planning. Attendance at Governance and Risk Groups. High level programme monitoring. Liaison meetings with CFOs and Management Teams. IA Team Liaison Meetings with Business Managers.</i></p> <p><b>Follow-Up Audits</b>  <i>Follow-Up of Previous Year's Agreed Actions</i>  <i>Follow-Up audit of all High Priority Agreed Actions</i></p> <p><b>Programmes and Projects</b>  <i>IA support to programmes and projects as appropriate (to include Environmental Services Improvement Programme ESIP)</i></p> <p><b>Specialist Groups</b>  <i>IA attendance at specialist groups e.g. Health and Safety Working Group, Procurement and Commissioning</i></p> <p><b>Grant Certification</b>  <i>Review (income and expenditure) and certification of Grants received by the Council ensuring funding requirements have been met (to include Disabled Facilities Grants)</i></p> <p><b>Working with the Counter Fraud and Enforcement Unit</b>  <i>Provision to ensure collaborative working with the CFEU and to ensure control weaknesses, identified during CFEU activity, are being actioned. Regular liaison meetings</i></p> <p><b>Contingency</b>  <i>Provision for new work based on emerging risks and Investigations.</i></p>	