

## INTERNAL AUDIT PLAN AND CHARTER 2021-22

Audit Committee - 30 March 2021

**Report of:** Audit Manager

**Status:** For Decision

**Also considered by:** None

**Key Decision:** No

**Portfolio Holder:** Cllr. Matthew Dickins

**Contact Officer(s):** Francesca Chivers, Ext. 7053

**Recommendation to Audit Committee:**

- (a) Approve the Internal Audit Charter (Appendix A)
- (b) Approve the Internal Audit Plan 2021-22 (Appendix B)
- (c) Approve the revised set of Key Performance Indicators (Appendix B)
- (d) Note the new assurance levels and definitions for 2021-22 (Appendix B)

**Reason for recommendation:** The Charter and the Internal Audit Plan are key components of effective service delivery. The Audit Committee, as part of its governance and oversight role, reviews and approves both of these documents.

### Introduction and Background

- 1 This report provides the framework for Internal Audit activity in the 2021-22 financial year.
- 2 The Charter is a key governance document that sets out the purpose, authority, and responsibility of Internal Audit and provides us with access to all records, personnel and properties that we deem necessary to enable us to undertake our work. It was last approved by Audit Committee alongside the 2020-21 Plan in July 2020.
- 3 Following on from Internal Audit's mandate as depicted in the Charter, the risk-based Plan sets out how audit resources will be deployed throughout the year to enable an annual opinion to be provided on systems of risk management, governance and control. Updates on the delivery of the plan and findings of internal audit work will be reported throughout the year.
- 4 Audit Committee has an oversight role to play in Internal Audit's performance and the Key Performance Indicators (KPIs) reported to Committee are one means of enabling this role. The KPIs have been revised for 2021-22 in conjunction with the outcomes of the External Quality

Assessment (EQA) so that they are more meaningfully focused on the areas that we aim to develop.

- 5 The outcome of all assurance pieces of work is a report which contains an overall opinion. For 2021/22, we will be adopting the levels and definitions recommended by CIPFA, provided in **Appendix B**, which Members are asked to note. These levels and definitions will also be used to provide the year-end annual opinion.

### **Other options Considered and/or rejected**

None

### **Key Implications**

#### Financial

There are no financial implications associated with this report. Delivery of the Plan will be met from existing budgeted resources.

#### Legal Implications and Risk Assessment Statement.

Under the Account and Audit Regulations 2015, the Council must deliver Internal Audit services in accordance with the Public Sector Internal Audit Standards. The production of a risk-based Plan and a Charter are two requirements of these Standards. Links to the Corporate Risk Register are provided within Appendix A.

#### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

### **Conclusion**

Members are asked to approve the proposals for delivery of Internal Audit Services in 2021-22, including the Charter, the Plan and the KPIs. Members are also asked to note the revised set of assurance levels and definitions.

#### **Appendices**

Appendix A - Internal Audit Charter

Appendix B - Internal Audit Plan 2021-22

#### **Background Papers**

None

**Francesca Chivers**  
**Audit Manager**