

Internal Audit Plan 2023 to 2024

Priority key

| | |
|----------|--------|
| 1 | high |
| 2 | medium |
| 3 | low |

Main financial systems

These are the main financial systems that support the running of the council. These audit reviews are carried out to provide independent assurance to the Director (Resources and Performance) as the S151 Officer that arrangements are operating effectively, and in line with the Financial Procedure Rules and Treasury Management Strategy as appropriate. These audits are carried out annually and the coverage of each audit is decided on a risk basis.

Rough approximation of expected staff resource allocation: 23 per cent

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|------------------------------------|--|-----------------|
| Creditors | <p>Outline scope: to provide assurance that payments made are valid, authorised, accurate and timely, in respect of goods and services received by the council and that they have been properly accounted for in the council's accounts.</p> <p>Audit opinion category: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Debtors and debt management | <p>Outline scope: to provide assurance that income generating activities are identified and accurately invoiced, that all invoices are paid, and the income is accounted for and reflected in the council's accounts, the extent of debt is minimised, and overdue accounts are promptly followed up.</p> <p>Audit opinion category: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Treasury management | <p>Outline scope: annual audit to provide assurance that accurate, complete, and timely information is produced to allow for effective monitoring and decision making in line with the investment strategy, that transactions are complete, accurate, valid and timely and made with institutions in line with the treasury management strategy, and that treasury management activities are monitored and scrutinised in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice.</p> <p>Audit opinion category: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|---|---|----------|
| Car parks cash handling | <p>Outline scope: audit required due to significant sums involved and risks associated with cash handling. Provides assurance that effective controls are in place over car parking cash collection, retention, and banking systems.</p> <p>Audit opinion category: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Anglia Revenues Partnership (ARP) audits 2023 to 2024: <ul style="list-style-type: none"> • Council Tax billing and benefits • overpayments recovery | <p>Outline scope: provides assurance over the administration of the revenues and benefits systems. West Suffolk undertakes the audits of Council Tax billing and benefits, and housing benefits overpayments recovery, on behalf of all the Anglia Revenues Partnership (ARP) partners for which a fee is charged. The audits of national non-domestic rates and ARP enforcement are currently undertaken by other partners.</p> <p>Audit opinion category: internal control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning, WS22 – personal debt and benefits changes</p> <p>Links to strategic priorities: all</p> | 1 |
| Payroll | <p>Outline scope: to provide assurance that key controls exist for payroll processing including adequate documentation for starters and leavers.</p> <p>Audit opinion category: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| General ledger | <p>Outline scope: to provide assurance that financial transactions are correctly recorded including ensuring their completeness and integrity, with the aim of providing the financial information from which the council's annual statements of accounts can be prepared.</p> <p>Audit opinion category: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |

Added value work

Areas identified by management and internal audit that would benefit from audit input or resource in the form of providing support and advice to management including reviewing relevant arrangements on behalf of management and/or assisting in making improvements. Care will be taken to ensure these activities do not impinge upon internal audit independence.

These pieces of work will generally be one-off activities (unlike the annual financial systems reviews) and will not always result in a formal report being issued or an opinion provided. However, these pieces of work will contribute to a balanced audit plan which enables the Service Manager (Internal Audit) to give his statutory annual audit opinion on the adequacy and effectiveness of the council's framework of risk management, control and governance processes.

Work included in this category will be discussed and agreed with management during the year, and may include amongst other work, change and service improvement support and financial resilience work.

Rough approximation of expected staff resource allocation: 31 per cent

Corporate and business area audits

Reviews of systems, processes or tasks where the internal controls are identified, tested, and evaluated. These are therefore more traditional pieces of audit work in contrast to the 'Added Value Work' referred to earlier. Again, unlike the annual financial systems reviews these pieces of work will generally be one-off activities but they will normally result in a formal report being issued and an opinion provided. The work in this category is driven by a shared understanding between management and internal audit of relevant risks. Work included in this category is likely to include, but not necessarily be restricted to, the following pieces of work. An ongoing assessment of potential work areas will ensure that audit resource will be used in those areas which will benefit most from audit input.

Rough approximation of expected staff resource allocation: 13 per cent

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|---------------------------------|---|-----------------|
| IT audit | <p>Outline scope: detailed discussions will be held with the ICT team to agree the scope of this work which is expected to include IT procurement.</p> <p>Audit opinion category: governance, risk, internal control</p> <p>Links to strategic risk register: WS8 – ICT integration, WS19 – cyber security</p> <p>Links to strategic priorities: all</p> | 1 |
| Contract Procedure Rules | <p>Outline scope: review of whether the new tendering limits and new requirements regarding sustainable procurement and modern day slavery, rolled out in November 2022, are being followed.</p> <p>Audit opinion categories: internal control, governance</p> <p>Links to strategic risk register: WS1 – financial management</p> <p>Links to strategic priorities: all</p> | 1 |
| Performance management | <p>Outline scope: review a sample of KPIs to check that the underlying data are reliable, accurate and timely, and consider whether the processes for capturing the data could be improved. Also, at the service level, review whether the measures actually capture the most important indicators of performance.</p> <p>Audit opinion categories: internal control</p> <p>Links to strategic risk register: WS15 – performance</p> | 1 |

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|--|--|-----------------|
| | Links to strategic priorities: all | |
| Budget monitoring | Outline scope: review of budget monitoring arrangements Audit opinion categories: financial control Links to strategic risk register: WS1 – financial management Links to strategic priorities: all | 1 |
| VAT | Outline scope: provision of assurance that appropriate controls are in place to reconcile and balance the VAT returns Audit opinion category: internal control, financial control Links to strategic risk register: WS1 – financial management Links to strategic priorities: all | 1 |
| Focused mini audit reviews | Outline scope: the scope of these 'quick' audit reviews remain to be agreed with services but are likely to include areas such as control of ICT assets, and stock control around spare parts / tools and equipment purchases, and fuel. Audit opinion categories: internal control, financial control Links to strategic risk register: all Links to strategic priorities: all | 2 |
| Disabled Facilities Grant (DFG) | Outline scope: to provide assurance to both West Suffolk Council and Suffolk County Council that the conditions of the grant allocated to, and spent by West Suffolk Council, have been complied with. The grant is for the provision of adaptations to disabled people's homes to help them to live independently in their own homes for longer. Audit opinion categories: internal control Links to strategic risk register: WS9(a) – deliver families and communities agenda, WS9(c) – deliver housing agenda Links to strategic priorities: resilient families and communities, housing | 2 |

Follow ups

Rough approximation of expected staff resource allocation: 3 per cent

| Outline Scope | Priority |
|---|-----------------|
| Whilst it is management's responsibility to manage the risks associated with the areas under their authority, internal audit will monitor progress against the implementation of all agreed audit recommendations deemed to be high and medium risk | 1 |

Fraud, irregularity and probity

Proactive testing of systems and processes to identify potential fraud and misappropriation or non-compliance with policies and procedures and potentially reactive investigations into potential wrongdoing, fraud, and corruption.

Rough approximation of expected staff resource allocation: 5 per cent

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|--|--|----------|
| COVID-19 business support payments recovery monitoring and counter-fraud work | <p>Outline scope: work to support the recovery of COVID-19 business support payments, to BEIS or other external agencies with information as required</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS9(b) – deliver growth agenda</p> <p>Links to strategic priorities: growth</p> | 1 |
| Irregularity investigations | <p>Outline scope: reactive work where suspected irregularity has been detected.</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS1 – financial management WS2– financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Data matching | <p>Outline scope: organisation of the extraction of data and submission to the Cabinet Office for the National Fraud Initiative exercises, and co-ordination of review of the matches.</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2– financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Proactive fraud and corruption work | <p>Outline scope: proactive anti-fraud work that includes targeted testing of processes with inherent risk of fraud. To also include review and update of our fraud risk assessment.</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2– financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Fraud awareness and publicity | <p>Outline scope: continuing to raise awareness of fraud issues and how to report suspicions.</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2– financial planning</p> <p>Links to strategic priorities: all</p> | 2 |

Other audit activity to support the audit opinion

Includes providing advice on systems and processes and attendance at working groups to advise on risk and control, as well as responses to specific enquiries

Rough approximation of expected staff resource allocation: 6 per cent

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|---|--|-----------------|
| Annual Governance Statement 2022 to 2023 | <p>Outline scope: co-ordination of production of the West Suffolk Annual Governance Statement and its associated documents.</p> <p>Audit opinion categories: governance</p> <p>Link to strategic risk register: all risks</p> <p>Links to strategic priorities: all</p> | 1 |
| Information governance | <p>Outline scope: audit support and advice on information governance policies and practices.</p> <p>Audit opinion categories: internal control</p> <p>Link to strategic risk register: WS14 – breach of data protection and information security</p> <p>Links to strategic priorities: all</p> | 1 |
| Strategic Risk Management Group | <p>Outline scope: feed in to review of strategic risks prior to submission to Leadership Team and Performance and Audit Scrutiny Committee.</p> <p>Audit opinion categories: risk</p> <p>Link to strategic risk register: all risks</p> <p>Links to strategic priorities: all</p> | 1 |
| Financial due diligence in respect of investment decisions and potential suppliers / contractors | <p>Outline scope: financial due diligence checks on businesses (prospective suppliers, contractors, industrial unit tenants and partners) to minimise financial risks to the council.</p> <p>Audit opinion categories: financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS2 – financial planning</p> <p>Links to strategic priorities: all</p> | 1 |
| Internal Audit Quality Assurance Improvement Plan (QAIP) work | <p>Outline scope: work to ensure internal audit conformance with the Public Sector Internal Audit Standards</p> <p>Audit opinion categories: all</p> <p>Link to strategic risk register: all risks</p> <p>Links to strategic priorities: all</p> | 1 |

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|---|---|----------|
| General advice and assistance and requests for support from management | <p>Outline scope: provision of advice and assistance on the risk, governance and internal control environment, and unplanned work assessing the impact on controls arising from changes in systems or processes.</p> <p>Audit opinion categories: all</p> <p>Link to strategic risk register: all risks</p> <p>Links to strategic priorities: all</p> | 2 |
| Internal Audit external working groups | <p>Outline scope: participation in the Suffolk Working Audit Partnership (consisting of the Suffolk local authority internal audit teams), Suffolk Fraud Group, and other relevant groups to share learning and good practice.</p> <p>Audit opinion categories: all</p> <p>Link to strategic risk register: all risks</p> <p>Links to strategic priorities: all</p> | 2 |
| Liaison with external audit | <p>Outline scope: to ensure there is no duplication of work between internal and external audit, and exchange knowledge as appropriate.</p> <p>Audit opinion categories: all</p> <p>Link to strategic risk register: all risks</p> <p>Links to strategic priorities: all</p> | 2 |

Other work

Rough approximation of expected staff resource allocation: 8 per cent

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|--|---|----------|
| UK Shared Prosperity Fund and Rural England Prosperity Fund | <p>Outline scope: audit work undertaken to enable the S151 Officer to provide written confirmation to central government that all necessary checks have been undertaken to ensure that the programme specific projects have in place the processes to ensure proper administration of financial affairs with regard to the funding programme.</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS1 – financial management, WS9(a) – deliver families and communities agenda, WS9(b) – deliver growth agenda</p> <p>Links to strategic priorities: resilient families and communities, growth</p> | 1 |
| Community Outbreak Management Fund | <p>Outline scope: to provide assurance to Suffolk County Council that the conditions of the grant allocated to, and spent by West Suffolk Council, have been complied with. The grant provides support towards expenditure incurred in relation to COVID-19 Test and Trace services.</p> <p>Audit opinion categories: internal control</p> <p>Links to strategic risk register: WS9(a) – deliver families and communities agenda</p> <p>Links to strategic priorities: resilient families and communities</p> | 1 |
| Test and Trace Contain Outbreak Management Fund 2021-22 | <p>Outline scope: audit work in support of the declaration required by the Department of Health and Social Care that the Chief Executive and Service Manager Internal Audit confirm that to the best of their belief that the conditions of this grant have been complied with. The grant provides support towards expenditure incurred in relation to the mitigation against and management of local outbreaks of COVID-19.</p> <p>Audit opinion categories: internal control</p> <p>Links to strategic risk register: WS9(a) – deliver families and communities agenda</p> <p>Links to strategic priorities: resilient families and communities, growth</p> | 1 |
| Green Homes Grant – Local Authority Delivery scheme | <p>Outline scope: audit work in support of the declaration required by the Department for Business, Energy and Industrial Strategy that the Chief Executive and Service Manager Internal Audit confirm that to the best of their belief that the conditions of this grant have been complied with. The grant is to provide funding to provide energy efficiency upgrades to low income homes.</p> <p>Audit opinion categories: internal control</p> <p>Links to strategic risk register: WS21 – environmental and climate change, WS9(a) – failure to deliver families and communities agenda, WS9(c) – failure to deliver housing agenda</p> <p>Links to strategic priorities: resilient families and communities, housing</p> | 1 |
| Energy Bills Support Scheme – Alternative Funding | <p>Outline scope: assurance relating to the administration of energy bills support scheme payments.</p> <p>Audit opinion categories: internal control, financial control</p> <p>Links to strategic risk register: WS9 - failure to deliver families and communities agenda</p> | 1 |

| Audit Area | Outline scope, audit opinion area, and links to strategic risk register and strategic priorities | Priority |
|---|--|----------|
| | Links to strategic priorities: resilient families and communities | |
| Alternative Fuel Payment Scheme – Alternative Fuel Grant | Outline scope: assurance relating to the administration of energy bills support scheme payments. Audit opinion categories: internal control, financial control Links to strategic risk register: WS9 - failure to deliver families and communities agenda Links to strategic priorities: resilient families and communities | 1 |
| West Stow Anglo Saxon Village Trust Annual Accounts | Outline scope: Independent Examiners' report on the 2022 to 2023 accounts to provide assurance on the charity trustees' preparation of the accounts. Audit opinion categories: not applicable Links to strategic risk register: not applicable Links to strategic priorities: not applicable | 2 |
| Data analytics and continuous auditing | Outline scope: work to explore further use of data analytics in our audit work. Audit opinion categories: internal control, financial control Links to strategic risk register: all risks Links to strategic priorities: all | 2 |
| Review of Internal Audit Charter | Outline scope: review and update of internal audit charter, including taking into account any related recommendations and suggestions raised as part of the March 2023 external assessment of internal audit's compliance with the Public Sector Internal Audit Standards. Audit opinion categories: all Links to strategic risk register: all Links to strategic priorities: all | 2 |

Management

Rough approximation of expected staff resource allocation: 11 per cent

| | |
|-------------------------------------|--|
| Managing the internal audit service | <div>Audit resource is also spent on the following:<ul style="list-style-type: none">Reporting to and attendance at Performance and Audit Scrutiny Committee, including drafting of reports and development of the annual audit opinionAnnual audit planning process, including meetings with the services and relevant managers, and risk assessment of potential areas to include in the draft annual audit planRegular internal audit team meetings and 1:1s with team members to discuss and monitor workloads and other team related issuesSenior management meetingsTraining, including both audit related training and corporate training</div> |
|-------------------------------------|--|