
Southern Internal Audit Partnership

Assurance through excellence
and innovation

NEW FOREST DISTRICT COUNCIL INTERNAL AUDIT PLAN 2024-25

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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.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant stakeholders to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Southern Internal Audit Partnership's continued contact and liaison with those responsible for the governance of the Council.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The strategic lead will be Antony Harvey, Deputy Head of Partnership, supported by Liz Foster, 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 (IPPF).

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.

Developing the Internal Audit Plan 2024-25

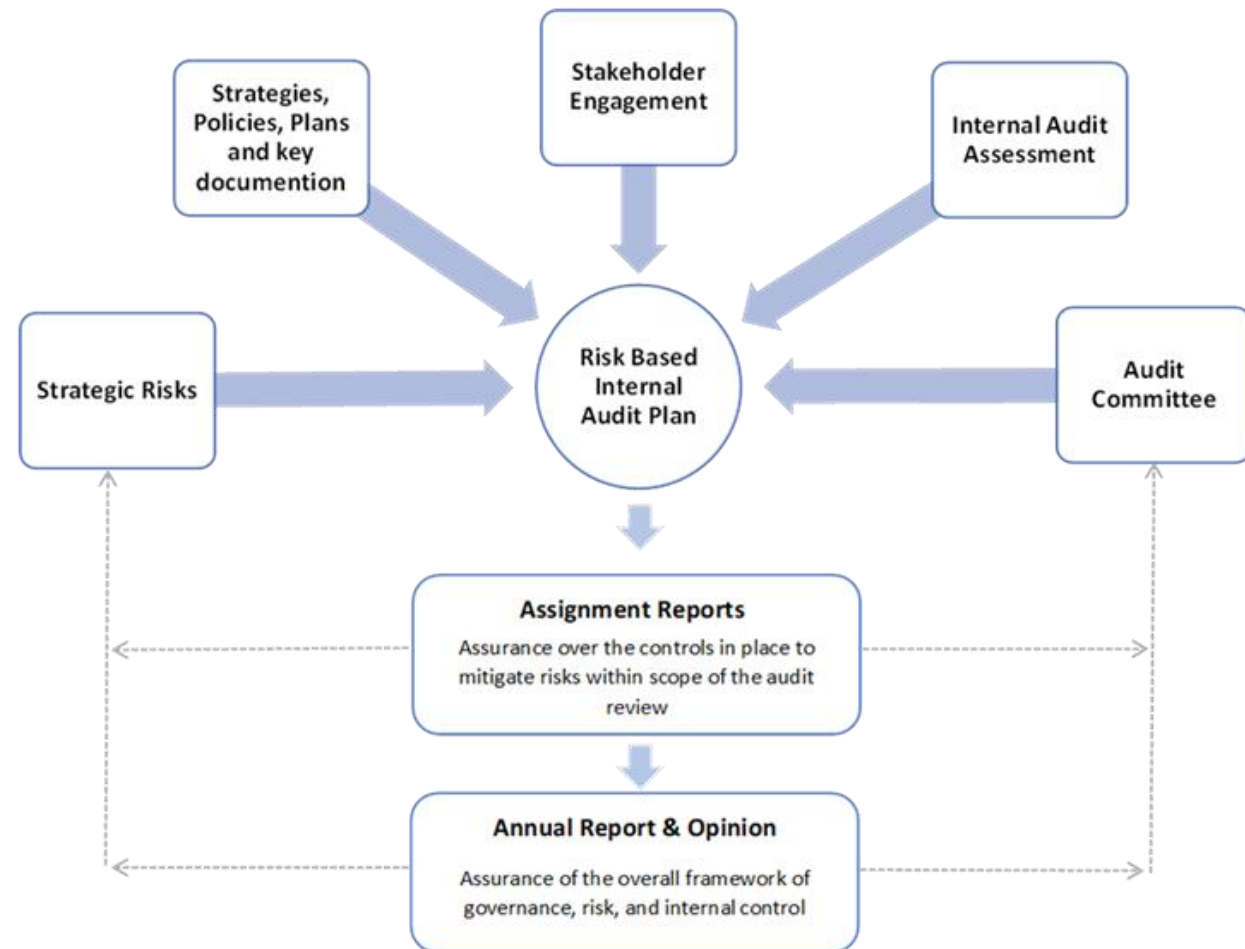
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation's goals.

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 (including an indicative plan for 2025-26 and 2026-27)

Audit Review	Indicative Scope	24-25	25-26	26-27	Proposed Timing
Governance / Strategic					
Corporate Plan / Performance Management	Assurance over delivery of the Corporate Plan; underpinning strategies & plans; performance monitoring & reporting frameworks.	✓	-	✓	Q3
Transformation Programme	To provide assurance over the various stages of the Council's Transformation Programme from initialisation through to delivery and outcomes realisation.	✓	✓	✓	Q1-4
Climate Change and Nature Emergency / Green Agenda	Assurance over the Council's response to the Climate Change and Nature Emergency including governance, strategies, performance monitoring & reporting arrangements.	-	✓	-	
Corporate Governance Framework	Assurance over the corporate governance framework including the Annual Governance Statement, ethical governance, codes of conduct, complaints, compliments.	✓	✓	✓	Q1
Programme & Project Management	Review of the programme and project management framework and / or compliance to the framework in relation to live / ongoing projects.	✓	-	✓	Q3
Financial Resilience and Savings Realisation	Assurance over framework to ensure on-going financial resilience of the Council. Coverage over the audit cycle to include: <ul style="list-style-type: none"> • Medium Term Financial Strategy • Budget planning/setting (2024-25 focus) • Budget monitoring • Savings Realisation. 	✓	✓	✓	Q1-2
Commercial Activities	Effectiveness of income generation / maximisation including rental income and leases, review of associated fees and charges and acquisitions and disposals.	-	✓	-	
Alternative Delivery Methods / Partnership Working	Assurance over governance frameworks and / or focus on specific arrangements including rights of access, third party assurance, contingency arrangements, exit strategies, hosting arrangements, benefits realisation, and performance. Scope for 2024-25 to focus on relationships with Town and Parish Councils.	✓	-	-	TBC

Audit Review	Indicative Scope	24-25	25-26	26-27	Proposed Timing
Asset Management (Corporate Estate)	Assurance over effectiveness and delivery of the Asset Management Plan including planned and reactive repairs, maintenance of non-housing assets and statutory compliance checks.	✓	-	-	TBC
Information Governance	Assurance over the audit cycle on information governance arrangements including GDPR, DPA, FOI, Transparency etc.	✓	✓	✓	Q4
Procurement	Assurance over compliance with contract procedure rules and legislative requirements.	-	-	✓	
Contract Management	Review of contract management arrangements and / or compliance across a selection of 'key contracts'.	-	✓	-	
Fraud Framework	Cyclical assurance there are effective arrangements to prevent, detect and investigate fraud and irregularities. Annual provision to monitor the outcomes from proactive / reactive fraud work undertaken directly by the Council.	✓	✓	✓	Q1
Health & Safety	Assurance there is an appropriate H&S strategy in place with effective governance, accountability and issue resolution.	-	✓	-	
Business Continuity	Assurance over the governance framework and individual plans to maintain services after a major incident.	-	-	✓	
Emergency Planning	Assurance over the Council's plans and arrangements for dealing with extreme events.	✓	-	-	Q4
Risk Management	Assurance over the risk management framework including governance, transparency and maturity.	-	✓	-	
HR	Coverage over a three-year cycle to include: - <ul style="list-style-type: none"> • Workforce strategy & planning • Training & development • Recruitment • Performance management • Wellbeing & absence management. Scope for 2024-25 to focus on statutory responsibilities.	✓	✓	✓	Q1

Audit Review	Indicative Scope	24-25	25-26	26-27	Proposed Timing
Core Finance Systems					
Housing Benefits	Cyclical coverage of core systems to meet legislative requirements.	✓	-	-	Q2
Council Tax		-	✓	-	
NNDR		-	-	✓	
Accounts Payable		-	-	✓	
Accounts Receivable and Debt Management		-	✓	-	
Main Accounting and Reconciliations		-	✓	-	
Payroll & Expenses		✓	-	-	Q2
Income Collection and Banking		-	-	✓	
Treasury Management		✓	-	-	Q3
Grant Certifications		Certification audit(s) as required.	✓	✓	✓
IT					
IT Governance	Coverage over the audit cycle to consider: <ul style="list-style-type: none"> IT Strategy and Planning IT Asset Management Change Management Software Licencing Incident and Problem Management Service Desk. 	-	TBC	TBC	
Data Management	Coverage over the audit cycle to consider:	-	TBC	TBC	

Audit Review	Indicative Scope	24-25	25-26	26-27	Proposed Timing
	<ul style="list-style-type: none"> • Data Storage and data backup • Data Centre Facilities and Data Security • Capacity Planning and Monitoring. 				
Information Security	Coverage over the audit cycle to consider: - <ul style="list-style-type: none"> • Cyber Security • Cloud • Remote Access • Public Facing Internet Security • IT Security Policy. 	-	TBC	TBC	
Systems Development and Implementation	Proposed to cover two reviews in 2024-25. Application Lifecycle Management (Q2-3) – Assurance over the controls in place to ensure proactive management of application lifecycles/clarity over responsibilities. IT Project Delivery (Q3-4) – Review of the project management tools, methods and procedures to ensure IT projects are effectively delivered. There are clear links to the Transformation Programme/Digital Channel Shift which will be considered.	✓	TBC	TBC	Q2/3/4
IT Disaster Recovery Planning & Business Continuity	Coverage over the audit cycle to consider: <ul style="list-style-type: none"> • IT Business Continuity Planning • Disaster Recovery Planning • System Resilience 	-	TBC	TBC	
Networking and Communications	Coverage over the audit cycle to consider: <ul style="list-style-type: none"> • Firewall Management & Monitoring (2024-25 focus). • Network Security and Access Control • Network Infrastructure Management & Monitoring • Virtualisation • Operating System / Patch Management 	✓	TBC	TBC	Q1-2

Audit Review	Indicative Scope	24-25	25-26	26-27	Proposed Timing
	<ul style="list-style-type: none"> Telecommunications. 				
Service Reviews					
Housing Rents	Coverage to include rent setting, income collection and debt management.	-	✓	-	
Homelessness	Assurance that there is effective control to deliver strategic objectives and legislative requirements to prevent homelessness.	-	-	✓	
Housing Management	<p>Assurance over the arrangements to manage the Council's housing stock. Coverage over a three year cycle to include:-</p> <ul style="list-style-type: none"> Housing allocations Affordable housing Shared ownership Right to buy (2024-25 Focus). 	✓	✓	✓	Q2
Housing Asset Management	<p>Coverage over the audit cycle to provide assurances that all statutory obligations are met with the management of the Council's housing stock, including proactive and reactive repairs & maintenance, management of voids, safety checks etc.</p> <p>Proposed to cover four reviews in 2024-25:- Management of voids (Q3); Gas safety (Q4); Asbestos (Q4); and Lift inspections (Q2).</p>	✓	✓	✓	Q2/3/4
Housing Enforcement	Assurances over the inspection and enforcement of housing legislation including the licencing of HMOs.	✓	-	-	Q2
Disabled Facilities Grants	Administration and compliance with local / legislative requirements to enable adaptations to people's homes.	-	-	✓	
Planning / Development Management	Assurance over areas such as the end-to-end planning processes, Community Infrastructure Levy (CIL), S106 agreements / developer obligations.	✓	-	✓	Q4
Building Control	Review of policy and processes in line with legislative requirements.	✓	-	-	TBC

Audit Review	Indicative Scope	24-25	25-26	26-27	Proposed Timing
Regeneration / Economic Development	Review of strategic approach for regeneration and / economic development including performance measures and reporting outcomes.	-	✓	-	
Grounds / Trees / Open Spaces	Assurance over the maintenance and management of open spaces / Tree Maintenance and management including Ash Die Back.	-	✓	-	
Fleet Management	Administration, procurement and maintenance of the Council's vehicle fleet.	-	✓	-	
Environmental Services	To review refuse collection, recycling and street cleansing and the implementation of the waste strategy. 2024-25 focus the new waste strategy.	✓	✓	-	Q1
Environmental Health	Assurance over the Council's legal obligations for Environmental Health.	✓	-	-	Q2
Licensing	Assurances over safeguarding, income collection, application process and monitoring.	✓	-	-	Q4
Parking / Enforcement	Review of parking and enforcement processes including administration of Fixed Penalty Notices and car park income collection.	-	-	✓	
Service Specific Reviews	Provision for service specific reviews identified through annual planning process to address changing risks, strategic priorities, legislative changes, management concerns etc.	✓	✓	✓	
Telecare	To provide assurance on the arrangement to manage the Telecare Service including processes to manage new, changing or leaving customers and income collection.	-	-	✓	
Cemeteries	To provide assurance on the processes and procedures for the management of cemeteries.	✓	-	-	Q3
National Park Authority	Provision of audit days to fulfil the Council's SLA with the NPA.	✓	✓	✓	
Management	Provision for audit planning, reporting, Audit Committee, monitoring, liaison, follow-up and advice.	✓	✓	✓	Q1-4
Total Days					400