



INTERNAL AUDIT SHARED SERVICE

Blaby District Council

2024/25 Internal Audit Annual Plan

1. INTRODUCTION

- 1.1 The Public Sector Internal Audit Standards require the Chief Audit Executive (the Audit Manager for this Council) to develop a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation's goals. This document sets out the background and the approach to producing the annual plan, with the 2024/25 annual plan attached at Appendix A.

2. BACKGROUND

- 2.1. The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit play 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 strengthening of the control environment and therefore contribute to the achievement of the organisation's objectives.
- 2.2. Internal Audit provide a combination of assurance and consulting/advisory activities. Assurance work involves assessing how well the systems are designed and working, with consulting or advisory activities available to help to improve those systems and processes where necessary. Internal Audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.
- 2.3. The Internal Audit Charter sets out the purpose, authority and responsibilities of Internal Audit. The Charter:
- establishes Internal Audit's position within the organisation;
 - authorises access to records, personnel and physical properties relevant to the performance of engagements; and
 - defines the scope of Internal Audit activities.
- 2.4 The Three Lines of Defence Model (below) is a valuable framework that explains Internal Audit's role in providing assurance that the management arrangements over governance, risk and internal control are adequate and effective.



Source: Chartered Institute of Internal Auditors

3. INTERNAL AUDIT PLAN

3.1. Overall Strategy

- 3.1.1 The key aim of the service is to provide an independent, objective assurance and advisory function which is designed to add value and improve the Council's operations. This supports Blaby District Council in the achievement of its priorities and helps services to provide good value for money, as it brings a systematic disciplined approach to evaluating and improving the effectiveness of risk management and control and governance processes.
- 3.1.2 The Audit Manager has produced a risk-based annual audit plan for 2024/25. This is informed by a risk assessment which is based on a combination of:
- consulting with key stakeholders including senior management;
 - reviewing the strategic risk register and committee minutes;
 - reviewing reports from external agencies (for example external audit) and legislative updates;
 - factors such as changes in staffing, systems and processes; and
 - the Audit Manager's professional judgement.

This approach enables the finite resources of the team to be focussed on areas where it can add value and conforms to the Public Sector Internal Audit Standards.

- 3.1.3 The outcomes from each audit engagement undertaken as part of the annual audit plan underpin the Audit Manager's annual opinion on the Council's internal control environment. This opinion feeds into the Council's Annual Governance Statement.

- 3.1.4 It should be noted that the Public Sector Internal Audit Standards state that

"The chief audit executive must review and adjust the plan, as necessary, in response to changes in the organisation's business, risks, operations, programmes, systems, and controls."

The Audit Manager will ensure that the audit plan is regularly reviewed and adjusted as necessary throughout 2024/25. In practice this may mean that audits are added to or removed from the plan, with details included in the quarterly progress reports.

3.2. Resources Available

- 3.2.1 The Audit Team who will deliver the 2024/25 annual audit plan at Blaby District Council consists of the Audit Manager (0.2 FTE), an Internal Auditor (0.8 FTE), an Internal Audit Assistant (0.14 FTE) and an Internal Audit Apprentice (0.33 FTE). Table 1 shows a calculation of the available audit days for 2024/25.

Table 1: Resources Available

Available Days	264
Team and Contract Management / Annual Opinion/ Annual Plan/Audit Committees/Progress Reports/External Audit/ Audit related meetings	46
Corporate Meetings/General Admin/ Minutes Review/Regional Audit Groups	8
Available Audit Days	210

3.3. Internal Audit Annual Plan 2024/25

- 3.3.1 The proposed 2024/25 Annual Audit Plan is shown in Table 2 below and the detailed plan is shown in Appendix A. The Plan will be subject to ongoing review to ensure that it remains aligned with the Council's objectives and the risks identified by management and the audit team. Any changes will be reported to the Senior Leadership Team and the Audit and Corporate Governance Committee.

Table 2: 2024/25 Annual Audit Plan

Risk Based Audit Work 2024/25 (see Appendix A)	168
Completion of 2023/24 Outstanding Audits	8
Follow up reviews	5
Advisory – Ad hoc	6
NFI, Fraud	6
Public Sector Internal Audit Standards	7
Stock takes/Strong Room Records	2
Contingency	8
Total Audit Days	210

- 3.3.2 The timings shown within the Internal Audit Annual Plan are estimates based on time taken on previous similar audits and a high-level consideration of the scope and existing arrangements. As part of the set-up process for each audit engagement the scope of the audit will be agreed in detail and a more accurate budget for audit days will be set. A contingency has been included in the plan to allow for variances in planned audit days against actual and for ad-hoc or fraud investigations that may arise during the year. The quarterly progress reports to Audit and Corporate Governance Committee will include a comparison of planned to actual days for each audit undertaken.

3.4 Limitations

- 3.4.1 The matters raised in the audit reports will only be those which come to our attention during internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or all the improvements that may be required. Whilst every care will be taken to ensure that the information contained in audit reports is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained therein. Our work does not provide absolute assurance that material errors, losses or fraud do not exist.

APPENDIX A

2024/25 INTERNAL AUDIT ANNUAL PLAN

AUDIT AREA	TYPE	TIMING	STRATEGIC THEMES	PLANNED AUDIT DAYS
ICT & TRANSFORMATION				
HR - specific area to be agreed	Audit	Q1/2	5	8
IT Asset Management	Advisory	As required	5	5
IT Implementation Support	Advisory	As required	5	4
Customer Satisfaction	Audit	Q4	All	8
			Subtotal	25
NEIGHBOURHOOD SERVICES & ASSETS				
Parks & Open Spaces	Audit	Q3		10
			Subtotal	10
ENVIRONMENTAL HEALTH, HOUSING & COMMUNITY SERVICES				
Disabled Facilities Grant Determinations	Grant	Q2	1	3
Building Control	Audit	Q1	2,3	10
Lightbulb	Advisory	As required	1	3
Licensing	Audit	Q2	2,4	8
Temporary Accommodation	Audit	Q3	1	10
Safeguarding Process	Audit	Q2	1	5
			Subtotal	39
CORPORATE SERVICES & MONITORING OFFICER				
Implementation of Elections Act	Audit	Q2	All	3
Service Planning & Performance	Audit	Q2/3	All	8
			Subtotal	11

FINANCE				
Key Financial Systems	Audit	Q3/Q4	All	45
			Subtotal	45
ASSETS & MAJOR PROJECTS				
Property Services Compliance	Audit	Q3	All	15
			Subtotal	15
PLANNING & STRATEGIC GROWTH				
Planning	Audit	Q4	2,3	15
			Subtotal	15
CROSS CUTTING				
Culture	Audit	Q2/3	5	8
			Subtotal	8
			Total	168

The following audits will be added to the plan if time allows

- Data Protection
- Green Strategy
- Asset Management
- Insurance

Key – Strategic Themes 2024-2028

1. Enabling our communities and supporting our vulnerable residents
2. Enhancing and maintaining our natural and built environments
3. Growing and supporting our economy
4. Keeping you safe and healthy
5. Ambitious and well-managed Council, valuing our people