



## Report

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Date: 25<sup>th</sup> April 2024

To: The Chair and Members of the AUDIT COMMITTEE

Report Title: INTERNAL AUDIT PLAN 2024/25

### EXECUTIVE SUMMARY

1. This report presents the Annual Internal Audit Plan for 2024/25 which has been produced following a review of risks and controls of Council activities.
2. The plan (attached to this report) conforms to UK Public Sector Internal Audit Standards (UKPSIAS); these are the professional internal audit standards.
3. The level of internal audit resource planned in 2024/25 is 9.60 FTE's representing both base resource and additional temporary resources to target the data driven work. The Head of Internal Audit has completed his assessment of the structure of the team against the needs of the Council and relevant structural changes have been made. The changes have generated:-
  - more targeted resource to deliver data driven work.
  - additional capacity for management of the team and delivery of more complex work which is becoming an increasing reflection of need for the team.
  - additional capacity at the lower level of the team through "Growing our Own" via an apprenticeship for a trainee auditor; in addition, the role has been structured to offer progression and anticipated retention through a career graded appointment.
  - increasing skills and knowledge of an already very experienced team though targeted training designed to develop the overall team skills set, for current and future years.



4. Section 7 of the report highlights important factors we have taken into account in compiling this plan which include increased allowances for advice and consultancy work as this adds considerable value and is often undertaken collaboratively working with other support functions e.g., Financial Management, Policy Insight and Change teams etc. It represents the continuing move away from the more traditional “standard” audits but inevitably requires a higher skill set within the team. The allowance also includes this year a significant amount of development time to drive our data driven audit work.
5. We will maintain our well-established practice of ensuring the plan remains at all times fluid and responsive to the organisation’s needs.
6. The proposed audit plan can be summarised as follows:

### 2023/24 Audit Plan

### 2024/25 Audit Plan

#### **Breakdown of the Plan By Type of Work**

	Hours	Plan %
Assurance Work	4,296	43.1%
Consultancy Work	891	8.9%
Responsive Work*	2,963	29.8%
Follow-up Work	581	5.8%
Fraud Plan	1,230	12.4%
<b>Total</b>	<b>9,961</b>	<b>100%</b>

	Hours	Plan %
Assurance Work	4,725	46.5%
Consultancy Work	1,347	13.3%
Responsive Work*	2,323	22.9%
Follow-up Work	406	4.0%
Fraud Plan	1,363	13.4%
<b>Total</b>	<b>10,164</b>	<b>100%</b>

\*Responsive work includes time set aside to deal with in year identified issues, an allowance to give proactive advice where needed and an allowance for contingency items which includes investigations some of which will be fraud related. The aim is to direct resources more flexibly, providing updates as part of quarterly updates.

7. Taking into account all the above factors and the strategy adopted to respond to the ongoing challenges for the team and the council as a whole, the Head of Internal Audit considers that sufficient internal audit work will be able to be delivered alongside the other factors that are taken into account when arriving at the annual opinion on the Council’s, risk, governance and control arrangements.
8. As stated in previous years, there are many caveats associated with this opinion made at this point in time. Whilst the impacts of the Covid-19 pandemic have heavily diminished for the team, central government funding creates challenges for the services we review and there are always more local issues such as an unmanageable demand for audit support in investigating irregularities. Whilst it is hoped that these factors are a lower risk than previous years, these and other factors will be under constant review and any concerns will be raised with management and reported accordingly to the Audit Committee.

## **EXEMPT REPORT**

9. This report is not exempt.

## **RECOMMENDATIONS**

10. The Audit Committee is asked to support the principles and strategy underpinning the 2024/25 Internal Audit Plan set out in section 1 and expanded upon in section 7 of the Internal Audit Plan report, and approve the plan as set out in Appendices, A, B and C.

## **WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

11. Effective oversight of internal audit through the Audit Committee adds value to the Council by ensuring that it manages its risks in support of the key priorities and outcomes it seeks to achieve.

## **BACKGROUND**

12. This report is produced annually for Audit Committee inspection / awareness as required under the UK Public Sector Internal Audit Standards

## **OPTIONS CONSIDERED**

13. Not applicable - for information only

## **REASONS FOR RECOMMENDED OPTION**

14. Not applicable - for information only

## **IMPACT ON THE COUNCIL'S KEY OUTCOMES**

15. Internal Audit contributes to the effective management of the Council's risks, which in turn contributes to the achievement of the Council's goals and key outcomes for Doncaster as a whole.

### **16. Legal Implications**

Legal implications were not requested in relation to this report.

### **17. Financial Implications**

Financial implications were not requested in relation to this report.

### **18. Human Resources Implications**

Human Resources implications were not requested in relation to this report.

### **19. Technology Implications**

Technology implications were not requested in relation to this report.

## **RISKS AND ASSUMPTIONS**

20. The Council must provide an effective internal audit if it is to meet its statutory obligations.

21. Failure to direct internal audit resources to the most appropriate areas would limit the contribution the team can make to the Council. It would also limit the ability of the Head of Internal Audit to provide an opinion on the governance, risk management and internal control arrangements. These risks are managed through having an appropriate internal audit plan, supported by adequate internal audit resources.

## **CONSULTATION**

22. The Chief Executive and Directors were consulted on Internal Audit's proposals and will be further consulted with regarding the major changes required to the audit plan for the remainder of the year.

## **BACKGROUND PAPERS**

23. Accounts and Audit Regulations 2015  
UK Public Sector Internal Audit Standards 2017

## **GLOSSARY OF ACRONYMS AND ABBREVIATIONS**

24. UKPSIAS - UK Public Sector Internal Audit Standards  
CIPFA – Chartered Institute of Public Finance and Accountancy

## **REPORT AUTHOR & CONTRIBUTORS**

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