



Southern Internal Audit Partnership

Assurance through excellence
and innovation

ARUN 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 Iona Bond, Assistant Head of Partnership, supported by Nick Barrett, 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.

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.

Arun District Council – Our Vision: A Better Future 2022 - 2026



Arun District Council have developed the Council Vision for 2022 - 2026 which sets their priorities for the next 4 years. The vision was adopted by Full Council on 9 March 2022.

The four themes underpinning the vision are:

- Improving the wellbeing of Arun
- Delivering the right homes in the right places
- Supporting our environment to support us
- Fulfilling Arun's economic potential

Council Risk

The corporate risks assessed by the Council are a key focus of our planning for the year to ensure it meets the organisation's assurance needs and contributes to the achievement of their objectives.

We will monitor the corporate risk register closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

Risk Number	Title	Risk Score
7	Climate Change	16
11a	Major Project – Alexandra Theatre	16
1b	Balance of HRA	12
2	Organisational Capacity to Deliver	12
11b	Major Project – Levelling Up Fund Projects	12
11c	Major Project – Bognor Regis Arcade	12
3	Change Management and Transformation	9
4	ICT – Major Successful Cyber Attack	9
5	Corporate Business Continuity	9
12	Increased Homelessness	9
10	Planning Policy and Conservation – Development Plan	8
1a	Financial Resilience	8
8	Corporate Health and Safety	8
9	Equality and Diversity	8
16	Chief executive Resignation/Vacancy	8
4	ICT – Physical or Technical Failure	6
	ICT – Permission to Access Government Systems	6
	ICT – Document Management System Supplier Support	6
15	Ineffective Complaints Management	6
6	Information Governance and Data Protection	4
13	Housing Management System Implementation	4
14	Compliance Failings	4
17	Disabled Facilities Grant	4
18	Housing Benefit Subsidy	4

Developing the Internal Audit Plan 2024/25

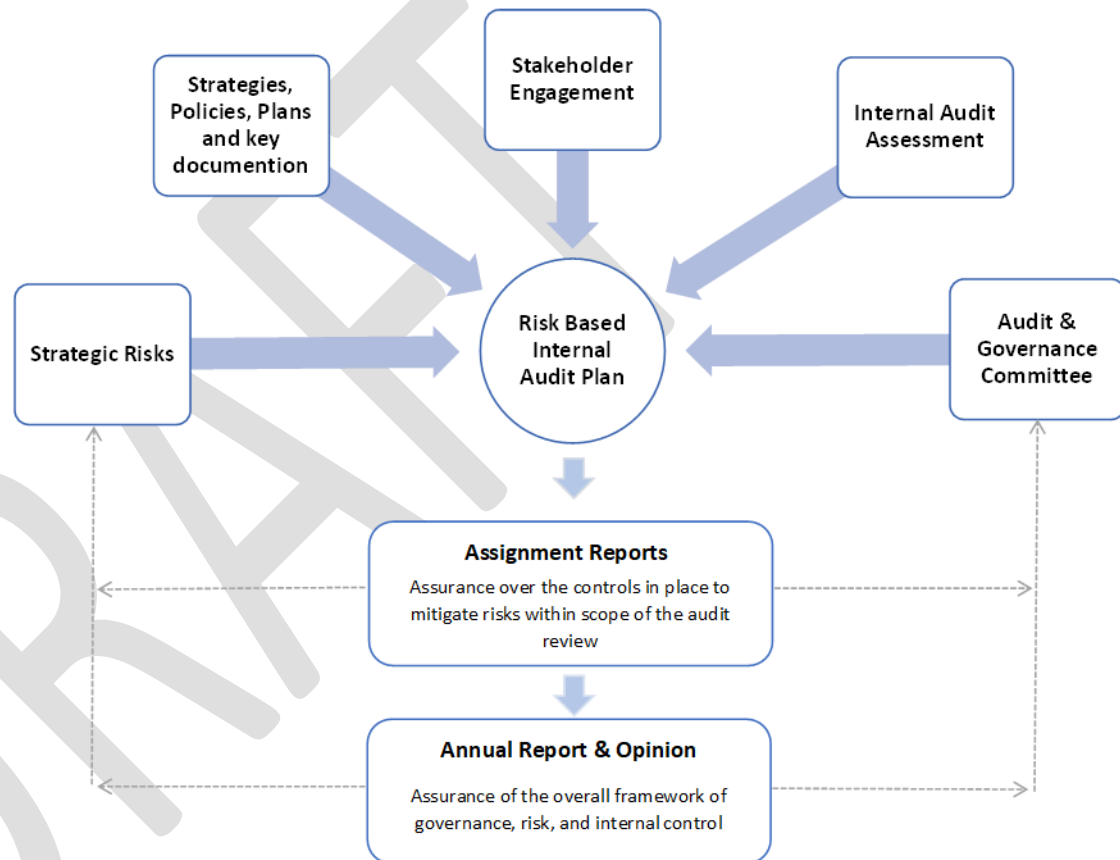
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation's goals.

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

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Governance				
Strategic Economic Partnerships	Director of Growth	Assurance over governance, rights of access, third party assurance, contingency arrangements, exit strategy, hosting arrangements (accountabilities), benefit realisation.		Q3
UK Prosperity Fund	Director of Growth	Assurance over the governance arrangements in place for the management and distribution of grant funding.		Q1
IR35	CX	Compliance with the requirements of IR35 “intermediaries legislation” which requires challenges of people who supply their services to clients via their own company.		Q2
Human Resources	CX	Assurance against key services / risk over a cyclical period, to include: <ul style="list-style-type: none"> · Workforce Strategy / Development · Performance Management · Absence Management · Recruitment · Training & Development · Use of Agency Staff · Use of Volunteers For 2024-25 coverage will focus on the recently implemented Competency and Behaviour Framework.	CRR 2	Q3

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
IT				
Disaster Recovery Planning	Director of Environment and Communities	Assurance that the disaster recovery plan is comprehensive, appropriately documented, governed and tested.	CRR 4	Q2
Wi-fi Security	Director of Environment and Communities	Assurance over the controls in place to safeguard the new wi-fi network	CRR4	Q1
Finance				
Accounts Payable	CX	Cyclical review as a key financial system.		Q1
Housing Benefits	CX	Cyclical review as a key financial system.		Q1
Payroll	CX	Cyclical review as a key financial system.		Q2
Savings Realisation	CX	Assurance over the controls in place for the development, governance, monitoring and delivery of identified savings to meet known future budget pressures.		Q3
Improving the Wellbeing of Arun				

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Community Safety/Development	Director of Environment and Communities	Assurance over the controls in place for the prevention and monitoring of anti social behaviour.		Q1
Delivering the Right Homes in the Right Places				
Housing Allocations	Director of Environment and Communities	Assurance over the controls in place for the processing of applications, assessments and allocation of housing.		Q4
Repairs and Maintenance (statutory H&S checks)	Director of Environment and Communities	Assurance of the governance and management of statutory checks (to include overview of effective contract management arrangements and deliverables as relevant).		Q2
Responsive and Emergency Repairs	Director of Environment and Communities	Assurance over the governance arrangements in place for the management and operation of the responsive repairs contract.		Q3
Neighbourhood Services/Tenancy Management	Director of Environment and Communities	TBC – Tenancy Sustainability		Q1
Supporting our Environment to Support Us				
Cleansing Services	Director of Growth	To review the effective governance and contract management arrangements in place for cleansing services.		Q2

Audit Review	Audit Sponsor	Indicative Scope	Corporate Risks	Proposed Timing
Climate Strategy	Director of Growth	To provide assurance over the governance and delivery of Climate Change Strategy including accompanying action plan.	CRR7	Q3
Parks and Green Spaces	Director of Environment and Communities	To review the effectiveness of governance and contract management arrangements in place (incl. Health & Safety inspections required).		Q1
Environmental Health and Protection	Director of Growth	To provide assurance over regulatory activities including animal control, food safety, pollution control, contaminated land, enforcement. To include Private Sector Housing. 2024/25 coverage – Enforcement, including private sector housing.		Q2
Fees and Charges (Technical Services)	Director of Growth	To provide assurance over the fee setting process to ensure income maximised and costs are recovered.		Q3
Miscellaneous				
Licensing – Taxi's	Director of Growth	Assurance over the controls in place for the awarding and renewal of taxi licenses.		Q4
Other				
Management				Q1 – Q4
Total Days				365