

TITLE	2022/23 Draft Internal Audit Investigation Plan and Strategy
FOR CONSIDERATION BY	Audit Committee on 30 March 2022
WARD	None Specific
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

Public assurance about the Council's risk, control, and governance environment.

RECOMMENDATION

The Audit Committee is asked to consider and approve the 2022/23 draft Internal Audit and Investigation Plan and Strategy (attached as Appendices AI and AII).

SUMMARY OF REPORT

This report recommends that the Audit Committee considers and approves the draft Internal Audit and Investigation Plan and Strategy for the 2022/23 financial year. This recommendation is being made to ensure that the Internal Audit and Investigation Service plans its work to assist the Council to meet its statutory requirements and ensures an ongoing focus on the Council's key corporate priorities and risks, whilst also remaining flexible and agile in the planning of its work.

Background

Internal Audit supports the Council's S151 Officer (Deputy Chief Executive) in discharging his statutory duties: -

- I. Section 151 of the Local Government Act 1972. The Council's Section 151 Officer is responsible under the Local Government Act for ensuring that there are arrangements in place for the proper administration of the authority's financial affairs. The work of internal audit is an important source of information for the S151 Officer in exercising their responsibility for financial administration. Reliance upon Internal Audit and their annual programme of work in reviewing the operation of systems of internal control and financial management is fundamental to the fulfilment of that responsibility.
- II. The Accounts and Audit Regulations (2015) state that: 'A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

Each financial year, a relevant authority must:-

- a) Conduct a review of the effectiveness of the system of internal control required by Regulation 3; and
- b) Prepare an annual governance statement.

The draft Internal Audit and Investigation Plan provides the mechanism through which the Chief Audit Executive (role fulfilled by Head of Internal Audit and Investigation) can ensure the most appropriate use of internal audit resources to provide a clear statement of assurance on the Council's risk management, internal control and governance arrangements.

Internal Audit provides an independent and objective opinion to the Council on the level to which the internal control environment supports and promotes the achievement of the Council's objectives. Internal audit contributes to the Council achieving its key priorities by helping to promote a secure and robust internal control environment, which enables a focus on achieving the key priorities.

The 2022/23 draft Internal Audit and Investigation Plan and Strategy are attached as Appendices A and A(l) to this report. The Strategy (Appendix A) outlines the role, scope and purpose of Internal Audit, the 2022/23 Audit Planning process, resourcing, reporting arrangements and Internal Audit's requirements to conform with the Public Sector Internal Audit Standards (PSIAS), 2017.

Developing the programme of work has included managements' assessment of risk, as well as our own risk assessment of the Council's major systems, strategic and operational areas, other auditable areas and work undertaken to date. It has involved consultation with Corporate Leadership Team, Directorate Management teams, the review of risk registers and external guidance, where appropriate, the Annual Governance Statement Improvement Plan, 2021/22 Peer Review Action Plan and comparison with other authorities and Audit Group Networks.

Appendix A(l) presents the audit topic areas identified during the audit planning process.

The 2022/23 Draft Internal Audit and Investigation Plan and Strategy, once approved, will come into effect from 1 April 2022. Progress on delivering the Plan will be reported to the Committee on a regular basis in line with the Council's reporting cycle.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes	Revenue
Next Financial Year (Year 2)	£0	Yes	Revenue
Following Financial Year (Year 3)	£0	Yes	Revenue

Other financial information relevant to the Recommendation/Decision
None

Cross-Council Implications
Internal Audit works across all areas of the Council – effective internal audit is one of the ways assurance is provided that the Council’s key priorities and objectives will be achieved.

Public Sector Equality Duty
The Equality Act 2010 places a statutory duty on the council to ensure that when considering any new or reviewed strategy, policy, plan, project, service or procedure the impacts on particular groups, including those within the workforce and customer/public groups, have been considered. In undertaking our audit and investigative work, we ensure we have regard for equalities.

Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>
This report has a positive impact on the climate emergency agenda, as it provides public assurance about the Council’s risk, control and governance environment and includes specific reviews of key corporate risks that have been undertaken in respect of Net-Zero Carbon (Climate Emergency).

Reasons for considering the report in Part 2
Not applicable.

List of Background Papers
2022/23 Internal Audit and Investigation Strategy - Appendix A 2022/23 Draft Internal Audit and Investigation Plan - Appendix A(I) 2022/23 Internal Audit Charter – separate report to this meeting

Contact Catherine Hickman	Service Governance
Telephone No Tel: 07885 983378	Email catherine.hickman@wokingham.gov.uk

This page is intentionally left blank