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# **Southern Internal Audit Partnership**

Assurance through excellence  
and innovation

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## **GUILDFORD BOROUGH COUNCIL INTERNAL AUDIT PLAN 2023-24**

**Prepared by: Iona Bond, Senior Audit & Counter Fraud Manager**

**February 2023**

## 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, Senior Audit and Counter Fraud Manager, supported by Jade Lakeland, 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

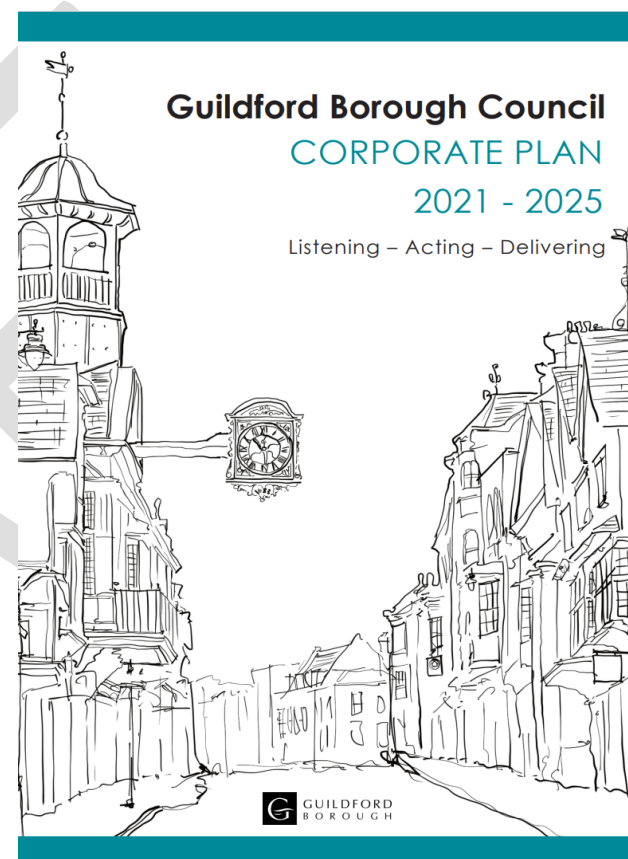
We are not aware of any relationships that may affect the independence and objectivity of the team which are required to be disclosed under internal auditing standards.

## Guildford Borough Council – Corporate Priorities 2021 – 2025

Guildford Borough Council have set their Corporate Plan for 2021 to 2025 which sets out their priorities for the next four years:

- **Homes and Jobs – Residents having access to the homes and jobs they need**
- **Environment – Protecting the environment**
- **Community – Empowering communities and supporting people who need help**

These three key priorities are underpinned by a range of 21 objectives, projects, and initiatives.



## 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.

Risk Number	Title	Risk Score
CR14	There is a risk that the Council experiences increased costs.	24
CR9	There is a risk that capital programmes and projects experience issues that affect time, quality or budget.	16
CR22	There is a risk that a member of the public suffers injury or loss of life at a Council property or premises.	16
CR25	There is a risk the management and governance processes in place are not fully utilised for all programmes and projects.	16
CR6	There is a risk that the Council is unable to recruit and retain staff, including as a result of the Guildford/Waverley collaboration.	12
CR24	There is a risk that the Council does not achieve the most efficiency and value of key IT systems for example Business World modules.	12
CR7	There is a risk that external events cause major emergencies and incidents in the borough (such as flooding, fire, terrorism, climate change, pandemic/new variant of Covid-19).	9
CR11	There is a risk that the Council will be unable to achieve its ambitions in certain areas as a result of being unable to access certain funding, for example for infrastructure from LEP, Homes England etc.	9
CR12	There is a risk that the Council will be unable to make the savings required to close the budget gap.	9
CR1	There is a risk that a member of staff or a Council contractor is involved in an incident or accident at work.	8
CR2	There is a risk that a member of staff or a Council contractor is involved in an incident or accident at work.	8
CR3	There is a risk that vulnerable adults and children are not properly safeguarded	8
CR13	There is a risk that the Council experiences loss of income from local income streams e.g., fees and charges / council tax / property rents etc.	8
CR16	There is a risk that the Council experiences a major data breach.	8
CR8	The risk that the Guildford-Waverley collaboration does not meet its objectives.	6
CR17	There is a risk that the Council experiences a minor data breach.	4
CR4	There is a risk that the Council suffers a loss of premises, operational property, facilities and/or equipment across some or all of its properties.	6
CR5	There is a risk that the Council experiences a loss of IT systems or data, from example as a result of a cyber security incident.	6
CR10	There is a risk of bankruptcy of a supplier of a major contract.	6
CR20	There is a risk that the Council fails to make lawful decisions and follow governance procedures.	6
CR23	There is a risk that Council staff or contractual staff take industrial action.	4
CR18	There is a risk that FOIs are not responded to in the legal timeframe.	3
CR19	There is a risk that councillors or staff breach their codes of conduct.	3
CR15	There is a risk that financial fraud is committed by a resident, contractor or service user.	2

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

## Developing the Internal Audit Plan 2023/24

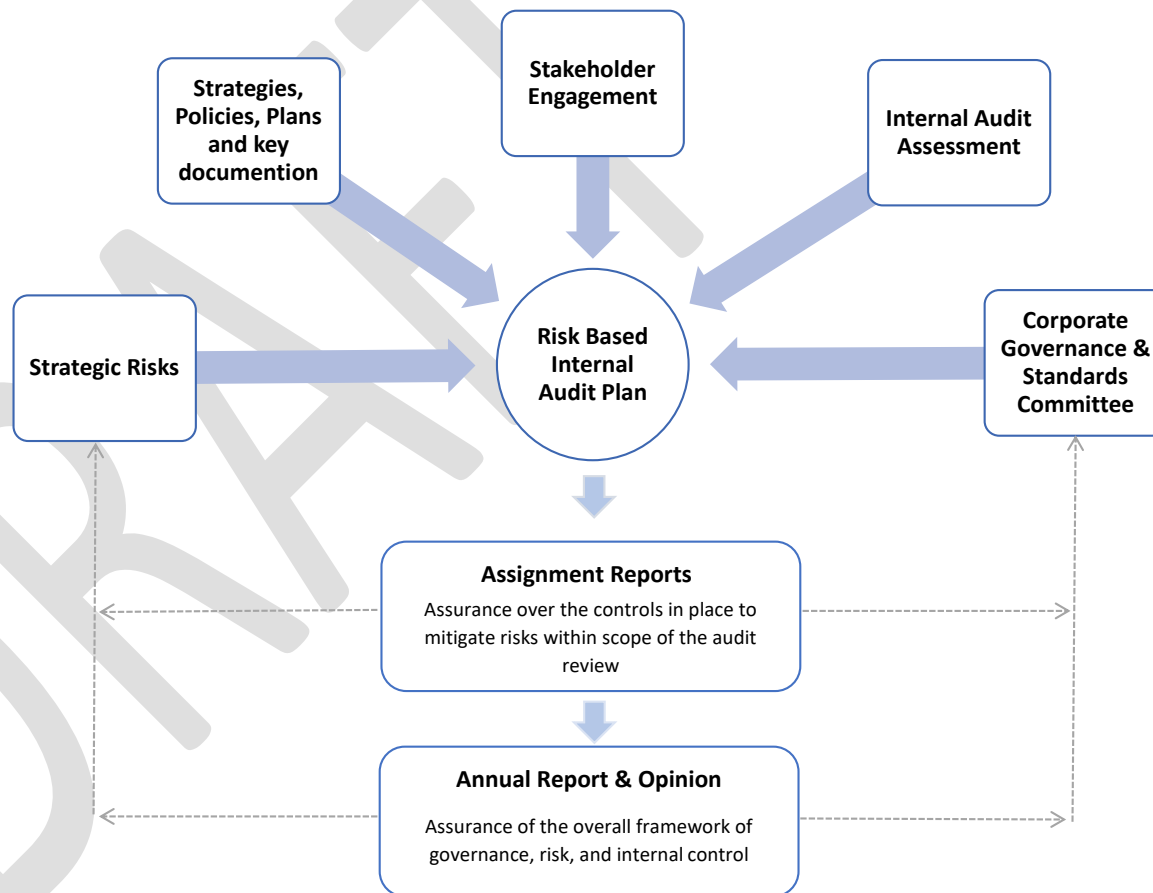
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation’s goals.

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 2023-24

Audit Review	Audit Sponsor (Joint Strategic Director)	Indicative Scope	Corporate Risks	Proposed Timing
<b>Governance</b>				
Information Governance	Community Wellbeing	Assurance over information governance arrangements to include FOI, SAR, Transparency and General Data Protection Regulation (GDPR).	CR16, CR17, CR18	Q1
Risk Management	Transformation and Governance	Assurance over the risk management framework including governance, transparency and maturity.		Q2
Decision Making and Accountability	Transformation and Governance	Assurance over the effectiveness and transparency of the decision-making process at officer and Member level. To consider governance, sufficiency, accuracy and timeliness of information including consultation with the public as necessary.	CR20	Q3
<b>Corporate</b>				
Savings Realisation	Transformation and Governance	Assurance over the governance process in place for the development, governance, monitoring and delivery of identified savings to meet known future budget pressures.	CR12	Q3
Procurement	Transformation and Governance	Robustness of procurement and decision-making process, emergency procurements / purchases, compliance with Contract Standing Orders. Due diligence of new suppliers		Q1
Health and Safety (Corporate)	Place	Effective H&S Strategy in place and operating effectively with effective governance, accountability and issue resolution.	CR 1, CR2, CR22	Q3
<b>IT</b>				
Cyber Security	Community Wellbeing	An annual review to review on a cyclical basis key initiatives including: <ul style="list-style-type: none"> <li>· cyber security policies, procedures</li> <li>· training and awareness</li> <li>· detection and recovery</li> <li>· cyber risk assessments</li> </ul>		Q4

Audit Review	Audit Sponsor (Joint Strategic Director)	Indicative Scope	Corporate Risks	Proposed Timing
		<ul style="list-style-type: none"> <li>· monitoring incidents</li> <li>· key risk indicators and remediation</li> <li>· assessing relationships with third parties and suppliers</li> </ul> <p data-bbox="904 395 1727 453">Focus for 23/24 - User Training and Awareness: Assurance over the training and awareness policies and procedures in place to reduce risk in this area</p>		
Identity and Access management	Community Wellbeing	Assurance over policies and procedures in place to ensure access to systems and data is appropriately authenticated, limited to least privilege principles and auditable.		Q3
<b>Core Financial</b>				
Accounts Receivable and Debt Management	Transformation and Governance	Cyclical review as a key financial system.		Q1
Housing Benefits	Transformation and Governance	Cyclical review as a key financial system.		Q2
Payroll	Transformation and Governance	Cyclical review as a key financial system.		Q3
<b>Homes and Jobs</b>				
Housing Voids	Community Wellbeing	TBC – dependent on process re-engineering project for voids.		Q1
Planned Maintenance	Community Wellbeing	Assurance over the governance arrangements in place for the management and operation planned maintenance works.		Q2
Responsive and Emergency Repairs	Community Wellbeing	Assurance over the governance arrangements in place for the management and operation of responsive repairs works.		Q4
Building Control	Transformation and Governance	Assurance over the administration of building control applications, including the collection of fees and charges.		Q3
<b>Environment</b>				



Audit Review	Audit Sponsor (Joint Strategic Director)	Indicative Scope	Corporate Risks	Proposed Timing
Fleet Operations	Place	Assurances over the processes in place for the management and operation of the Council's fleet, including maintenance, inspections and MOT's.		Q2
<b>Community</b>				
Safeguarding	Community Wellbeing	To ensure effective policies and procedures are in place and training provided to staff along with appropriate statutory checks.	CR3	Q4
Supporting Vulnerable People	Community Wellbeing	Assurance over the governance processes in place for the funding and placement of refugees.		Q1
<b>Other</b>				
Car Parks and Enforcement	Transformation and Governance	Assurance over the arrangements in place for the administration of Parking Charge Notices		Q2
<b>Miscellaneous</b>				
Management				Q1 – Q4
Total Days				300