

Audit, Governance and Standards Committee Annual Report

Final Decision-Maker	Audit, Governance and Standards Committee
Lead Head of Service	Katherine Woodward – Head of Mid Kent Audit Partnership
Lead Officer and Report Author	Katherine Woodward – Head of Mid Kent Audit Partnership
Classification	Public
Wards affected	All

Executive Summary

The report summarises the risk assessment and consultation process undertaken by Internal Audit to compile the programme of work that will lead up to the 2024/25 Head of Internal Audit Opinion.

Purpose of Report

Decision

This report makes the following recommendations to this Committee:

1. **Approve** the Internal Audit & Assurance Plan for 2024/25 at Appendix 1 to this report. This includes delegating to the Head of Audit Partnership to keep the plan current for in-year emerging risks as set out in para 2.5 of the report.
2. **Note** the Head of Audit Partnership’s view that internal audit currently has sufficient resources to deliver the plan and a robust Head of Audit Opinion.
3. **Note** the Head of Audit Partnership’s assurance that the plan is compiled independently and without inappropriate influence from management.

Timetable

Meeting	Date
Audit, Governance and Standards Committee	11 April 2024

Risk Update Report

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities or cross cutting objectives. However, they will support the Council's overall achievement of its aims by contributing to effective corporate governance.	Katherine Woodward – Head of Mid Kent Audit Partnership
Cross Cutting Objectives		
Risk Management		
Financial		
Staffing		
Legal	The Accounts and Audit Regulations 2015 contain provisions on internal audit. The Regulations require that the Council undertakes an effective internal audit taking into account public sector internal auditing standards. The Standards require that the Head of Audit Partnership provides an annual opinion based on objective assessment of the framework of governance, risk management and control. Therefore, the Council is required to consider and approve an Internal Audit & Assurance Plan for 2024/25 to maintain regulatory conformance.	Katherine Woodward – Head of Mid Kent Audit Partnership
Privacy and Data Protection	Accepting the recommendations will increase the volume of data held. We will hold that data in line with our retention schedules.	Policy and Information Team
Equalities	There are no direct equalities implications associated with this report.	[Policy & Information Manager]

Public Health	There are no direct public health implications associated with this report.	[Public Health Officer]
Crime and Disorder	There are no direct crime and disorder implications associated with this report.	Katherine Woodward – Head of Mid Kent Audit Partnership
Procurement	There are no direct procurement implications associated with this report.	Mark Green – Director of Finance & Business Improvement
Biodiversity and Climate Change	There are no direct biodiversity and climate change implications associated with this report.	[Biodiversity and Climate Change Officer]

2. INTRODUCTION AND BACKGROUND

- 2.1 The Public Sector Internal Audit Standards (the “Standards”) require the audit Partnership to produce and publish a risk based plan, at least annually, to determine the priorities for the year. The plan must consider input from senior management and Members and be aligned to the objectives and risks of the Council.
- 2.2 The purpose of this report is to set out the annual assurance plan 2024/25 to Members. The report details how the plan is devised, the resources available through the Partnership and the specific audit activities and engagement delivered over the course of the year.
- 2.3 The Committee needs to obtain assurance on the effectiveness of the control environment, governance and risk management arrangements. The principal source of this assurance is derived from the annual assurance plan.
- 2.4 Standards explicitly support that the plan is flexible and responsive to emerging and changing risks across the year. Therefore the 2024/25 plan includes audit reviews that are high priority and those that are medium priority. By taking this approach we are able to achieve flexibility within the plan and ensure that the plan remains relevant throughout the year.

3. AVAILABLE OPTIONS

- 3.1 There is a statutory requirement for the Council to have an internal audit of its governance, risk and control processes. The Accounts and Audit Regulations 2015, more specifically require that the audit takes into account the Public Sector Internal Audit Standards. The Council could

decide that it does not want a programme of work for the audit service, however, this would go against professional Standards.

- 3.2 The appendix sets out the proposed plan for 2024/25, including background details on how we compiled the plan and how we propose to manage its delivery. The proposal is for the Committee to consider and approve the plan.
 - 3.3 We confirm to Members that, although the plan has undergone broad consultation with management, it is compiled independently and without being subject to inappropriate influence.
 - 3.4 The Committee as part of its terms of reference must retain oversight of the internal audit service and its activities. This includes the Committee's role to formally consider and approve the plan.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 We recommend Members approve the attached audit and assurance plan. The plan has been created through a process conforming with appropriate Standards and Regulations and in consultation with a broad range of officers. The Head of Audit Partnership believes this is the appropriate plan of work to support his opinion at year end.
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 We consult with Managers, Heads of Service and Directors throughout the year as we undertake our work, but also specifically as part of the audit planning process. The plan attached represents the collective views of management and the audit service.
 - 5.1 The overall resource allocation between the partners is consistent with the collaboration agreement and discussed with the Shared Service Board.
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6 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 On approval we will begin work towards delivering the approved plan immediately. We will report to Members on progress in the autumn and raise any urgent matters as set out in the audit charter.
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7 REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Internal Audit and Assurance Plan 2024/25
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8 BACKGROUND PAPERS

None