

Report to:	QSMTM Q1 2023-24
Report by:	Helen Gardner-Swift, Head of Corporate Services (HOCS)
Meeting Date:	24 August 2023
Subject/ Title: (and VC no)	Internal Audit Policy 2023-24 Internal Audit Plan 2023-24 to 2025-26 VC192610
Attached Papers (title and VC no)	Internal Audit Policy 2023-24 Draft VC192606 Internal Audit Plan 2023-24 to 2025-26 Draft VC192605

Purpose of report

1. This Committee Report (CR) seeks the approval of the Senior Management Team (SMT) to the draft Internal Audit Policy 2023-24 and the draft Internal Audit Plan 2023-24 to 2025-26.

Recommendation and actions

2. I recommended that the Commissioner and the SMT:
 - (i) approve the draft Internal Audit Policy 2023-24 (the IA Policy)
 - (ii) approve the draft Internal Audit Plan 2023-24 to 2025-26 (the IA Plan)
 - (iii) approve the key document actions set out in paragraphs 16 and 17
 - (iv) agree the publication arrangements as set out in paragraph 21

Executive summary

Update – internal audit activity

3. The IA Plan 2020-21 – 2023-24 set out the following audits to be carried out by an appointed internal auditor and appropriate experts in 2021-22 and the completion dates are shown in the table.:

1	Subject	Governance arrangements	Priority	Status
	Approach	Internal Auditor	Medium	Completed 2021-22 (January)
	Purpose	Independent assurance that governance arrangements are appropriate and robust and are complied with		
2	Subject	Information Records and Management – Records Plan	Priority	Status
	Approach	External assessment by the Keeper of the Records	High	Completed

	Purpose	Assess compliance with statutory requirements and best practice in records management and our Records Management Plan		2023-24 (July 2023)
3	Subject	UK GDPR compliance	Priority	
	Approach	Internal Auditor/external expert	High	Completed
	Purpose	UK GDPR/data protection – assurance that policy and procedures comply with statutory and regulatory requirements		2021-22 (March)

4. The IA Plan 2022–23 - 2024-25 set out the following audits to be carried out by an appointed internal auditor and appropriate experts in 2022-23 and the completion dates are shown in the table:

1	Subject	Financial Controls	Priority	Status
	Approach	Internal auditor	Medium	Deferred
2	Subject	Cyber resilience	Priority	
	Approach	External expert	High	Completed 2022-23 (March)

IA Policy 2023-24

5. The IA Policy recognises the importance of internal audit, which forms part of the scheme of control, as an essential element of managing risk and the policy is supported by the IA Plan and requires the Commissioner, as Accountable Officer, to make provision for internal audit. The IA Policy refers to the current Commissioner who is due to demit office on 15 October 2023 and, following this, will be updated to reflect the appointment a subsequent Accountable Officer.
6. The IA Policy states that internal audits will be used to appraise internal controls and, also, to review governance arrangements and operational procedures. Provision is made for internal audits and reviews to be carried out by external providers. The roles and responsibilities of the relevant stakeholders are set out in the IA Policy.

The IA Plan 2023-24 to 2025-26

7. A three-year rolling plan is maintained and the plan is reviewed annually. The IA Plan may change in response to changes in the risk, operating and resource environment.
8. The IA Plan generally provides for 2 internal audits to be carried out per year, either by the appointed internal auditor or by an appropriate expert (as relevant), dependent on available resource. If there is resource available, an additional internal audit may be undertaken in each year.

9. The IA Plan is based on an appropriate and robust assessment of internal audit requirements and takes account of relevant risk management issues.

Risk impact

10. The risk of not having in place and monitoring effective and robust governance arrangements is mitigated by the maintenance and implementation of an internal audit plan and the engagement of an internal auditor or an appropriate expert to carry out the planned audits.

Equalities impact

11. No equalities impact arises directly from this report.

Privacy impact

12. No privacy impact arises directly from this report.

Resources impact

13. The internal audits to be carried out in each financial year are reflected within the annual Operational Plan so that the resources impact is taken into account.
14. The scheduling of internal audits in 2023-24 has been affected by the revision of the proposed external audit timetable. The external audit is now due to take place in Q2/Q3 and, taking account of the CST resource required for an internal audit, this will mean that only 2 internal audits will take place in 2023-24.

Operational/ strategic plan impact

15. The internal audits for each financial year take account of strategic risks and are reflected within the annual operational plan.

Records management impact (including any key documents actions)

16. Both the IA Policy 2023-24 and the IA Plan 2023-24 to 2025-26 will be key documents and, once approved, the Register of Key Documents and Guide to Information will be updated in accordance with our records management policies.
17. The Responsible Manager for each will be the HOCS and each will be reviewed annually.

Consultation and Communication

18. The SMT are consulted on the draft IA Policy 2023-24 and the IA Plan 2023-24 to 2025-26 (this CR).
19. It is intended that the Advisory Audit Board will be consulted on the IA Policy 2023-24 and the IA Plan 2023-24 to 2025-26 at the annual and any comments and/or suggested changes will be referred to the SMT for consideration.
20. QSMTM Q1 minute

Publication

21. The publication recommendations are as follows:
 - the CR should be published in full

- the additional information in the draft IA Plan 2023-24 to 2025-26 relating to the strategic risks will not be published on the basis that this is exempt from disclosure under sections 30(b)(ii), s30(c) and s39(1) of FOISA
- the draft IA Policy 2023-24 and the draft IA Plan 2023-24 to 2025-26 should be withheld in full on the basis that they are each exempt from disclosure under section 27(1) of FOISA. This provision allows information to be withheld if it is held with a view to it being published within 12 weeks and it is reasonable in all the circumstances that the information be withheld from disclosure until then. In due course, the draft IA Policy 2023-24 and the IA Plan 2023-24 to 2025-26 will be put into a final form and published on our website within 12 weeks.