Internal Audit Policy

Scottish Information Commissioner

Contents

Glossary and abbreviations

Term used	Explanation
The Commissioner	Scottish Information Commissioner
SPCB	Scottish Parliamentary Corporate Body
AO	Accountable Officer
SPFM	Scottish Public Finance Manual
AAB	Advisory Audit Board
SMT	Senior Management Team
HOCS	Head of Corporate Services

Policy

Introduction

1. The Scottish Parliamentary Corporate Body (SPCB) has appointed Daren Fitzhenry, Scottish Information Commissioner (the Commissioner), as Accountable Officer (AO).

2. The Memorandum to the Accountable Officer of the Office of the Scottish Information Commissioner from the Scottish Parliamentary Corporate Body, sent on 16 August 2017 and having effect from 16 October 2017 sets out the general responsibilities of the AO. These include that arrangements should be made for internal audit.

3. The guidance contained in the Scottish Public Finance Manual (SPFM) applies to the Commissioner. The SPFM includes guidance on internal audit arrangements and procedures.

4. The Internal Audit Policy (IA Policy) and associated arrangements set out in this document ensure that the AO can fulfil the requirements described above.

Policy Statement

5. The Commissioner actively manages risk through an appropriate and proportionate framework which identifies, assesses, addresses, reviews and reports on risk, in the context of the risk appetite and environment. The Commissioner through the scheme of control recognises the importance of internal audit as an essential element of managing risk related to internal controls.

6. The Commissioner also recognises the added value to be derived from internal audit through the review and assessment of compliance with, and the efficacy of, governance arrangements and operational procedures.

7. An Internal Audit Plan (IA Plan), comprising a programme of proportionate audits of internal controls, governance arrangements and operational procedures, will be developed, implemented and reviewed at least annually.

8. The Commissioner is responsible for ensuring that appropriate internal control systems exist and for deciding to what extent to accept and implement internal audit findings and recommendations.

Internal Audit Plan (IA Plan)

Approach

9. The Commissioner's approach will be proportionate, ensuring that the AO's responsibilities are fulfilled while recognising the small scale of the organisation and the limited resources available.

10. As a small organisation, the Commissioner recognises the value in seeking external, professional support to conduct internal audits. This is particularly relevant where it is important that an independent view is provided.

11. The IA Plan will comprise audits carried out by an appointed internal auditor and appropriate experts.

12. The areas included in the IA Plan are informed by the Senior Management Team's review of the risk register and operational and resource planning.

13. The areas will, where possible within the resources available, comprise a blend of:

- appraisals of internal controls;

- review and assessment of compliance with, and the efficacy of, governance and operational procedures.

14. The Commissioner will invite the Audit Advisory Board (AAB) to provide comments on the content of the IA Plan as needed.

15. The Commissioner will maintain a three year rolling IA Plan. This plan may be updated from time to time in response to changes in the risk, operating and resource environment.

16. The Commissioner will determine the final content of the IA Plan.

Roles and responsibilities

17. The following table summarises the internal audit roles and responsibilities of the Commissioner's staff, the AAB, the internal auditor and the external auditor:

Title	Responsibility	Role	Relationship / Communications	Reporting Frequency
Commissioner	• Ownership of IA Policy and IA Plan	• Assurance that IA Policy and IA Plan are applied and risk is managed effectively	• External and internal stakeholders	• As required
Senior Management Team (SMT)	• Shared ownership of IA Policy and IA plan	• Approving IA Policy • Developing an appropriate IA Plan • Approve appointment of externally appointed internal auditor or advisers, as appropriate • Monitoring progress against the IA Plan	• External and internal stakeholders	• As required
Head of Corporate Services (HOCS)	• Operational owner of the IA Policy and IA Plan • Annual review of IA Policy and IA Plan • Annual assessment and review of risk to the SMT	• Draft and maintain IA Policy and IA Plan • Lead for drafting and implementation of IA Plan • Lead planning and operational relationship with external auditor, internal auditor and expert advisers	• SMT • External auditor • Internal auditor and expert advisers	• As required • Annual reporting • During development of audit plans, as required • During audits, as required
All staff	• Operational management of risk through application of policies and procedures	• Participate in / lead internal audits as required	• SMT • HOCS • Auditor • External auditor • Internal auditor and expert advisers	• As required
Advisory Audit Board (AAB)	• Providing advice to the Commissioner	• Review the IA Plan and advise the Commissioner in line with its Terms of Reference	• The Commissioner • External auditor • Internal auditor and expert advisers	• As required (at least annually)
Internal Auditor	• Report and advise on internal audit findings • Provide assurance to the Commissioner (as required)	• Carry out/report on audits in line with the agreed IA Plan • Provide annual assurance statement (as required) • Advice on draft IA Plan (as required)	• The Commissioner • AAB • HOCS • External auditor • All staff	• As required by audit plan

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