



# Somerset County Council

## 2019-20 Internal Audit Plan and Internal Audit Charter

**Internal Audit ■ Risk ■ Special Investigations ■ Consultancy**

## The Internal Audit Plan: Summary

The internal audit plan represents a summary of the proposed audit coverage that the internal audit team will deliver throughout the 2019/20 financial year.

Delivery of an internal audit programme of work that provides sufficient and appropriate coverage, will enable us to provide a well-informed and comprehensive year-end annual internal audit opinion.



### Introduction and Objective of the Internal Audit Plan

Internal audit provides an independent and objective opinion on the Authority's risk management, governance, and control environment by evaluating its effectiveness.

Prior to the start of each financial year, SWAP, in conjunction with senior management, put together a proposed plan of audit work. The objective of our planning process and subsequent plan is to put us in a position to provide a well-informed and comprehensive annual audit opinion, based on sufficient and appropriate coverage of key business objectives, associated risks, and risk management processes.

The outcomes of each of the audits in our planned programme of work, will provide senior management and Members with assurance that the current risks faced by the Authority in these areas are adequately controlled and managed.

It should be noted that internal audit is only one source of assurance, and the outcomes of internal audit reviews should be considered alongside other sources, as part of the 'three lines of defence' assurance model. Key findings from our internal audit work should also be considered in conjunction with completion of the Authority's AGS.

**It is the responsibility of the Authority's Leadership Team, and the Audit Committee, to determine that the audit coverage contained within the proposed audit plan is sufficient and appropriate in providing independent assurance against the key risks faced by the organisation.**

When reviewing the proposed internal audit plan (as set out in Appendix 1), key questions to consider include:

- Are the areas selected for coverage this coming year appropriate?
- Does the internal audit plan cover the organisation's key risks as they are recognised by the Audit Committee?
- Is sufficient assurance being received within our annual plan to monitor the organisation's risk profile effectively?

## The Internal Audit Plan: Approach

To develop an appropriate risk-based audit plan, SWAP have consulted with senior management, as well as reviewing key documentation, in order to obtain an understanding of the organisation's strategies, key business objectives, associated risks, and risk management processes.



### Approach to Internal Audit Planning 2019/20

The factors considered in putting together the 2019/20 internal audit plan have been set out below:



We will regularly re-visit and adjust our programme of audit work to ensure that it matches the changing risk profile of the organisation's operations, systems and controls. Our 2019/20 audit plan will remain flexible to respond to new and emerging risks as and when they are identified.

# The Internal Audit Plan: Risk Assessment

A documented risk assessment prior to developing an internal audit plan, ensures that sufficient and appropriate areas are identified for consideration.

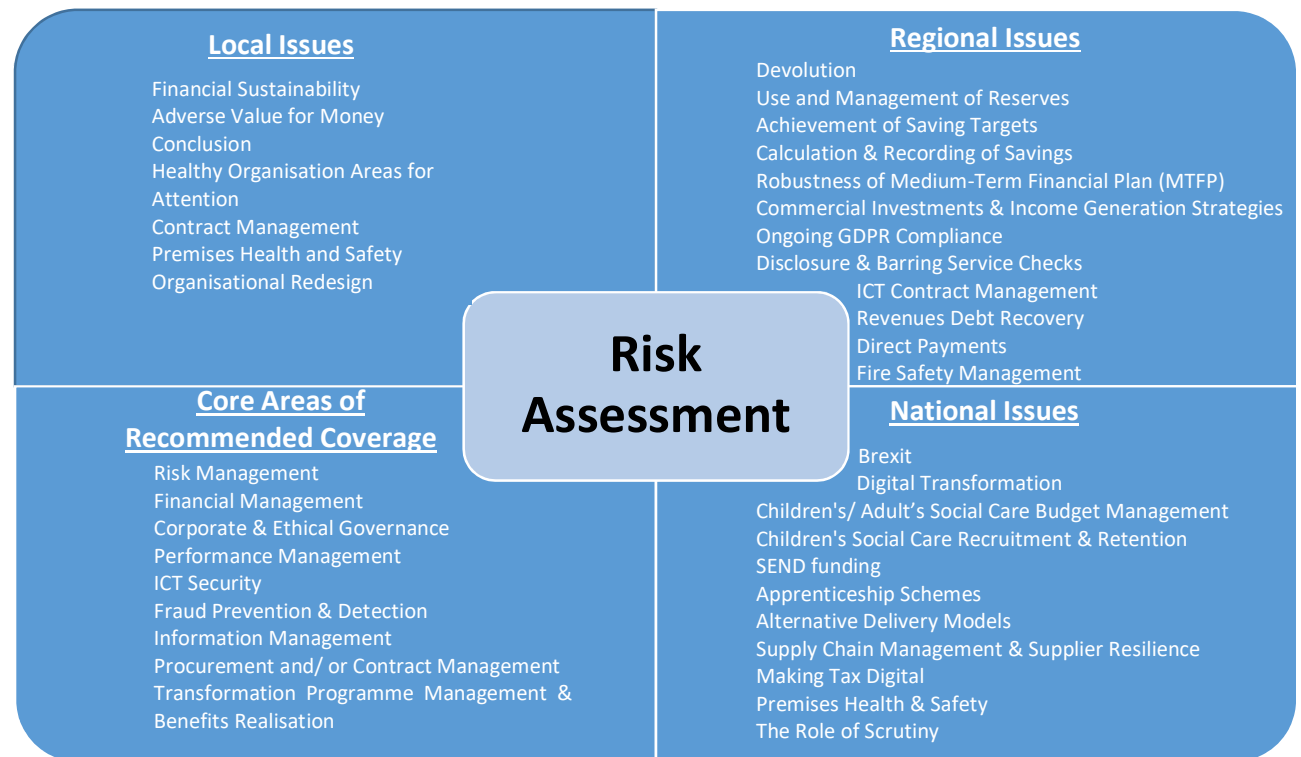


## Internal Audit Annual Risk Assessment

Our 2019/20 internal audit programme of work is based on a documented risk assessment, which SWAP will re-visit regularly, but at least annually. The input of senior management as well as review of the Authority’s risk register will be considered in this process.

Below we have set out a summary of the outcomes of the risk assessment for Somerset County Council:

As above, it is the responsibility of the Authority’s Leadership Team, and the Audit Committee to ensure that, following our risk assessment, the proposed plan contains sufficient and appropriate coverage.



# The Internal Audit Plan: Coverage

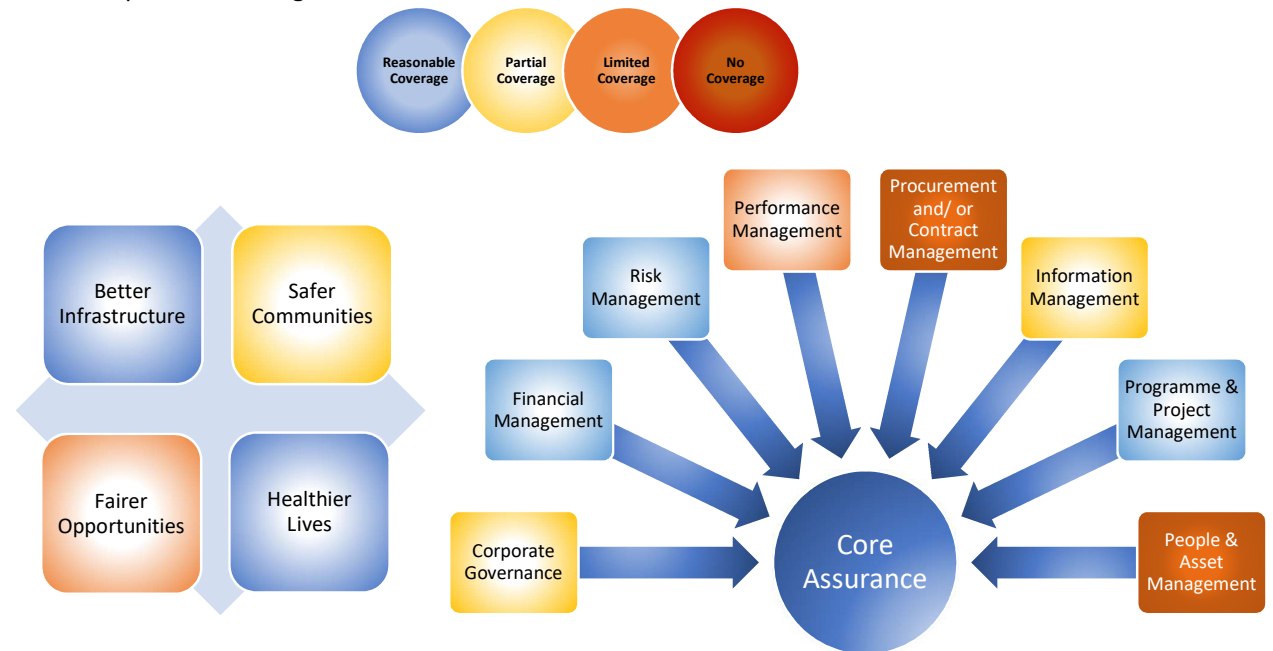
Following our SWAP Risk Assessment above, we have set out how the proposed 19/20 plan presented in Appendix 1 provides coverage of the Authority's key corporate outcomes, as well as our core areas of recommended coverage.

Internal audit is only one source of assurance; therefore, where we have highlighted gaps in our coverage, assurance should be sought from other sources where possible in order to ensure sufficient and appropriate assurances are received.



## Internal Audit Coverage in 2019/20

Following our SWAP risk assessment, we have set out below the extent to which the proposed plan presented in Appendix 1 provides coverage of the Authority's key corporate objectives, as well as our core areas of recommended coverage. Where we have highlighted limited or no coverage, Senior Management and Audit Committee should seek and document assurance from alternative sources, or consider re-focussing internal audit resource to provide coverage of these areas:



*Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. As such, internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.*

## The Internal Audit Plan: SWAP

SWAP Internal Audit Services is a public sector, not-for-profit partnership, owned by the public sector partners that it serves. The SWAP Partnership now includes 26 public sector partners, crossing eight Counties, but also providing services throughout the UK.



### Your Internal Audit Service

As a company, SWAP has adopted the following values, which we ask our clients to assess us against following every piece of work that we do:

- **Candid**
- **Relevant**
- **Inclusive**
- **Innovative**
- **Dedicated**

#### **Audit Resources**

The 2019/20 internal audit programme of work will be equivalent to 1,400 days. The current internal audit resources available represent a sufficient and appropriate mix of seniority and skill to be effectively deployed to deliver the planned work. The key contacts in respect of your internal audit service for Somerset County Council are:

**Lisa Fryer, Assistant Director** – [Lisa.Fryer@swapaudit.co.uk](mailto:Lisa.Fryer@swapaudit.co.uk) 01823 355590

**Jenny Frowde, Principal Auditor** – [Jenny.Frowde@swapaudit.co.uk](mailto:Jenny.Frowde@swapaudit.co.uk) 01823 355612

**Connor McLaughlin, Senior Auditor** – [Connor.McLaughlin@swapaudit.co.uk](mailto:Connor.McLaughlin@swapaudit.co.uk), 01823 355257

**Darren Roberts, Senior ICT Auditor** – [Darren.Roberts@swapaudit.co.uk](mailto:Darren.Roberts@swapaudit.co.uk), 07720312466

#### **Conformance with Public Sector Internal Audit Standards**

SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Every three years, SWAP is subject to an External Quality Assessment of Internal Audit Activity. The last of these was carried out in March 2016 which confirmed conformance with the Public Sector Internal Audit Standards.

#### **Conflicts of Interest**

We are not aware of any conflicts of interest within Somerset County Council that would present an impairment to our independence or objectivity. Furthermore, we are satisfied that we will conform with our IIA Code of Ethics in relation to Integrity, Objectivity, Confidentiality, & Competency.

#### **Consultancy Engagements**

As part of our internal audit service, we may accept proposed consultancy engagements, based on the engagement's potential to improve management of risk, add value and improve the organisation's operations. Consultancy work that is accepted, will contribute to our annual opinion and will be included in our plan of work.

#### **Approach to Fraud**

Internal audit may assess the adequacy of the arrangements to prevent and detect irregularities, fraud and corruption. We have dedicated counter fraud resource available to undertake specific investigations if required.



## The Internal Audit Plan: SWAP

Over and above our internal audit service delivery, SWAP will look to add value throughout the year wherever possible. This will include:

- Benchmarking and sharing of best-practice between our public-sector Partners
- Regular newsletters and bulletins containing emerging issues and risks
- Communication of fraud alerts received both regionally and nationally
- Annual Member training sessions

However, the primary responsibility for preventing and detecting corruption, fraud and irregularities rests with management who should institute adequate systems of internal control, including clear objectives, segregation of duties and proper authorisation procedures.

### Our Reporting

A summary of internal audit activity will be reported quarterly to senior management and the Audit Committee. This reporting will include any significant risk and control issues (including fraud risks), governance issues and other matters that require the attention of senior management and/or the Audit Committee. We will also report any response from management to a risk we have highlighted that, in our view, may be unacceptable to the organisation.

### Internal Audit Performance:

As part of our regular reporting to senior management and the Audit Committee, we will report on internal audit performance. The following performance targets will be used to measure the performance of our audit activity:

Performance Measure	Performance Target
<p style="text-align: center;"><b><u>Delivery of Annual Internal Audit Plan</u></b> Completed at year end</p>	>90%
<p style="text-align: center;"><b><u>Quality of Audit Work</u></b> Overall Client Satisfaction <i>(did our audit work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation)</i></p>	>95%
<p style="text-align: center;"><b><u>Outcomes from Audit Work</u></b> Value to the Organisation <i>(client view of whether our audit work met or exceeded expectations, in terms of value to their area)</i></p>	>95%

# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

*It should be noted that the audit titles and high-level scopes included below are only indicative at this stage for planning our resources. At the start of each audit, an initial discussion will be held to agree the specific terms of reference for the piece of work, which includes the objective and scope for the review.*

Link to Corporate Outcome/ Corporate Risk Register or Healthy Organisation Theme	Areas of Coverage and Brief Rationale	Audit Sponsor
<p><b>Better Infrastructure</b> <i>A county infrastructure that drives productivity, supports economic prosperity and sustainable public services.</i></p>	<p><b>Working Well Programme – Health and Wellbeing</b> Assurance on the effectiveness of staff support programmes across the County.</p> <p><b>Career Development and Pathways</b> Policy and approach to succession planning across services.</p> <p><b>Children's Services - Budget Management</b> To focus on compliance with budget management/monitoring requirements and ensuring action taken when variances occur.</p> <p><b>Adults - FAB assessments</b> System redesign underway to facilitate customer electronic submission.</p> <p><b>Adults - Workforce Planning</b> To review effectiveness of workforce planning initiatives and consider whether gaps exist.</p> <p><b>Community Library Partnerships</b> Review agreements in place and arrangements in place to monitor them. Need to consider sustainability.</p>	<p>Director of HR &amp; OD</p> <p>Director of HR &amp; OD</p> <p>Director of Finance/Director of Children's Services</p> <p>Director of Adult Social Services</p> <p>Director of Adult Social Services</p> <p>Director of ECI Operations</p>
<p><b>Safer Communities</b> <i>Safe, vibrant and well-balanced communities able to enjoy and</i></p>	<p><b>Use of Volunteers</b> To cover compliance with pre-employment checks to ensure services consistently meet requirements.</p>	<p>Director of HR &amp; OD</p>



# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

<p><i>benefit from the natural environment.</i></p>	<p>Somerset Waste Partnership has its own internal audit plan.</p>	
<p><b>Fairer Opportunities</b> <i>Fairer life chances and opportunity for all.</i></p>	<p><b>Apprenticeship Scheme</b> Compliance with scheme and maximisation of uptake.</p> <p><b>SEN – Data Management</b> Important area as inaccurate data relating to SEN and the impact of this on joint commissioning is an area Ofsted review.</p> <p><b>Children’s – Education, Health and Care Plans (EHCPs)</b> Assurance to focus on timeliness and compliance with procedures for agreeing plans.</p> <p><b>Children’s – Somerset Virtual School</b> To focus specifically on how the Virtual School determines appropriate educational placements; and children in care that are currently not in an educational placement.</p> <p><b>Adults and Children’s Direct Payments</b> Assurance over procedures in place and compliance with these procedures.</p> <p><b>Children’s Independent Placements - Financial Controls &amp; Contract Management</b> Covering both fostering and educational placements and contracts. Further work following 2018/19 partial assurance audit.</p>	<p>Director of HR &amp; OD</p> <p>Director of Children’s Services</p> <p>Director of Children’s Services</p> <p>Director of Children’s Services</p> <p>Director of Adults and Children’s Services</p> <p>Director of Children’s Services</p>
<p><b>Healthier Lives</b> <i>Improved health and wellbeing and more people living healthy and independent lives for longer.</i></p>	<p><b>Public Health - Nursing Services Transfer</b> The service moves across to SCC on 1<sup>st</sup> April.</p> <p><b>Adults - Residential Home Contracts</b> Assurance that contracts consistent with payments made and care plans.</p>	<p>Director of Public Health</p> <p>Director of Adult Social Services</p>

# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

	<p><b>Adults - Mental Health Financial Decision Making</b> To provide assurance that the care plan agreed reflects what is being paid for.</p>	Director of Adult Social Services
<p><b>Corporate Governance</b> <i>Corporate Governance refers to the strategic management practices and values and beliefs by which the Council operates.</i></p>	No areas of significant identified from Healthy Organisation review.	
<p><b>Financial Management</b> <i>Effective Financial Management is the bedrock of any successful organisation and is vital to the ongoing ability of local authorities to deliver services that the public wants.</i></p>	<p><b>Treasury Management</b> Materiality of investments requires regular review, as endorsed by Audit Committee in January 2019 as part of annual Anti-Fraud and Corruption paper.</p> <p><b>Payroll</b> Materiality of expenditure requires regular review, as endorsed by Audit Committee in January 2019 as part of annual Anti-Fraud and Corruption paper.</p> <p><b>Cash Handling</b> High inherent risk of fraud and error. Assurance that new cash handling policy is embedded across SCC.</p> <p><b>Debt Management</b> Continued focus on debt recovery to monitor the embedding of recommendations and the 2017 Income Code of Practice. Partial in 2018/19.</p> <p><b>Creditors</b> Reasonable assurance but ongoing issue of non-order invoices which will be the focus of the review.</p>	Director of Finance

# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

<p><b>Risk Management</b> Organisations which operate under a structured and active risk management approach, are far more likely to be able to focus upon their key priorities and outcomes and, in doing so, take informed and robust decisions.</p>	<p>Internal Audit being undertaken in 2018/19</p>	
<p><b>Performance Management</b> Performance management provides a transparent platform upon which the service is accountable to its citizens and service users for the effectiveness of its service provision and delivery of its objectives.</p>	<p><b>Service Planning</b> Service Planning was suspended in 2018/19. Review embedding of new model.</p>	<p>Director of Corporate Affairs</p>
<p><b>Commissioning &amp; Procurement</b> Assessing Procurement &amp; Commissioning activity of a Local Authority is a critical determinant in establishing its effectiveness in both being able to deliver benefit for its community, but also in</p>	<p><b>Corporate Contract Management</b> This audit will provide assurance that the Contract Management framework is in place and is embedded across SCC.</p> <p><b>Supplier Resilience</b> Review of controls in place to assess this both at the procurement stage and through the life of the contract.</p> <p><b>Value for Money</b></p>	<p>Director of Corporate Affairs</p>

# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

<p><i>showing whether it can maximise value for money for its taxpayers.</i></p>	<p>A Value for Money Strategy has been drafted. Seek assurance that services are making use of this strategy.</p> <p><b>Commissioning Gateway</b> This involves self-assessment at each stage of the commissioning cycle before progression to the next stage. Review whether this is embedded across SCC.</p>	<p>Director of ECI Operations</p>
<p><b>ICT</b> <i>Effective ICT will facilitate and support effective working, better decision-making, improved customer service and business transformation.</i></p>	<p><b>Data Subject Access Request (DSAR)</b> 2017/18 audit awarded partial assurance. This audit will review the new case management system for DSARs.</p> <p><b>ICT Strategy</b> The current ICT strategy needs to be updated to link to the Council's new vision. This work is in progress and will also underpin the creation of a Digital Transformation Strategy for SCC.</p> <p><b>Vulnerability Management</b> Important area of review.</p> <p><b>Disaster Recovery</b> To provide assurance that all critical systems can be recovered from back-up.</p> <p><b>ICT Cloud Service Management</b> An unmanaged hybrid cloud solution may result in unnecessary storage provision, a failure to address security layers and unmanaged costs due to the on-demand method on which cloud services are billed.</p> <p><b>Firewall Management</b> New Firewall supplier. Scope dependant on findings from vulnerability management.</p>	<p>Director of Corporate Affairs</p>

# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

<p><b>Programme &amp; Project Management</b>  <i>Organisations which can demonstrate and operate under a structured and active approach are far more likely to be able to focus their efforts and successfully achieve the delivery of anticipated outcomes.</i></p>	<p><b>Project Management - use of Project Mobilisation Toolkit</b>                  A Project Mobilisation Toolkit is being developed which will determine the significance of the project to the Council and the project requirements will be reflective of this.</p> <p><b>Project Management – non core council Projects</b>                  Review non core council projects within Property services (Education)</p>	<p>Strategic Manager – Business Change</p> <p>Strategic Manager – Business Change/Head of Property services</p>
<p><b>People Management</b>  <i>Organisations which can demonstrate and operate under a structured and active approach are far more likely to be able to focus resources against key priorities and, as a direct result, deliver improved outcomes.</i></p>	<p>See also above already covered within corporate priorities:</p> <ul style="list-style-type: none"> <li>• Working Well Programme – Health and Wellbeing</li> <li>• Career Development and Pathways</li> <li>• Use of Volunteers</li> <li>• Apprenticeship schemes</li> </ul>	
<p><b>Asset Management</b>  <i>Organisations which can demonstrate and operate under a structured and active approach are far more likely to be able to focus resources against key priorities and, as a direct result, deliver improved outcomes.</i></p>	<p>Strategic Asset Management covered in 2018/19.</p>	

# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

<p><b>School Themes</b> <i>Visits are made to schools for all themes covered and overall findings reported.</i></p>	<p><b>Expenditure</b> Risk area identified from 2018/19 tax evasion audit. Expenditure covering accounts payable, procurement cards, imprest and CIS invoices.</p> <p><b>Early Years Funding</b> Compliance with Somerset Code of Practice.</p> <p><b>Unofficial Funds</b> Risk area identified from 2018/19 tax evasion audit.</p> <p><b>Pupil Premium Grant</b> Significant area of funding, important in supporting corporate priority, fairer opportunities.</p>	<p>Director of Children's Services</p>
<p><b>Other</b></p>	<p><b>Organisational Redesign</b> Advisory time across the year, to be defined as projects progress.</p> <p><b>Provision for Fraud and Corruption</b> Advice and review as required across the year.</p> <p><b>Troubled Families</b> Internal Audit Requirement by DCLG to review claims submitted. Expect to audit six claim periods per year. Programme due to run until 2020.</p>	<p>SLT</p> <p>Director of Finance</p> <p>Director of Children's Services</p>
<p><b>Follow-ups</b> <i>All partial opinion audits are followed up – as agreed with the audit committee.</i></p>	<p><b>Healthy Organisation</b> To follow-up areas for attention not covered by a specific audit.</p> <p><b>Finance</b></p> <ul style="list-style-type: none"> <li>• Combatting Tax Evasion</li> </ul>	<p>SLT</p> <p>Director of Finance</p>



# Somerset County Council Proposed Internal Audit Plan 2019/20

## APPENDIX 1

	<p><b>HR and OD</b></p> <ul style="list-style-type: none"> <li>• Role of the Somerset Manager</li> </ul> <p><b>ICT</b></p> <ul style="list-style-type: none"> <li>• Software Management</li> <li>• Hardware Management</li> <li>• Active Directory</li> <li>• IT controls SAP</li> </ul> <p><b>Children's</b></p> <ul style="list-style-type: none"> <li>• Team around the School</li> <li>• Dillington House Financial Controls</li> </ul> <p><b>Adults</b></p> <ul style="list-style-type: none"> <li>• Better Care Fund</li> <li>• Mental Health Care Plans</li> <li>• Placements Financial Controls</li> </ul> <p><b>ECI</b></p> <ul style="list-style-type: none"> <li>• Passenger Transport Driver Records including Training</li> <li>• Premises Health and Safety</li> </ul>	<p>Director of HR and OD</p> <p>Director of Corporate Affairs</p> <p>Director of Children's Services</p> <p>Director of Adults Services</p> <p>Director of ECI</p>
<p><b>Advice and Support</b></p>	<ul style="list-style-type: none"> <li>• Audit Advice and Planning including Head of Internal Audit role</li> <li>• Committee Reporting and attendance at other corporate meetings</li> </ul>	

## The Internal Audit Charter

### Purpose

The purpose of this Charter is to set out the nature, role, responsibility, status and authority of internal auditing within Somerset County Council, and to outline the scope of internal audit work.

### Approval

This Charter was last approved by the Audit Committee on 12<sup>th</sup> April 2018 and is reviewed each year to confirm it remains accurate and up to date.

### Provision of Internal Audit Services

The internal audit service is provided by the South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled company. This charter should be read in conjunction with the Service Agreement, which forms part of the legal agreement between the SWAP partners.

The budget for the provision of the internal audit service is determined by the Council, in conjunction with the Members Meeting. The general financial provisions are laid down in the legal agreement, including the level of financial contribution by the Council, and may only be amended by unanimous agreement of the Members Meeting. The budget is based on an audit needs assessment that was carried out when determining the Council's level of contribution to SWAP. This is reviewed each year by the Head of Internal Audit, Chief Financial Officer (as s151 Officer) in consultation with the Chief Executive of SWAP.

### Role of Internal Audit

The Accounts and Audit (England) 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 the public sector internal auditing standards or guidance."*

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

### Responsibilities of Management and of Internal Audit

#### **Management<sup>1</sup>**

Management is responsible for determining the scope, except where specified by statute, of internal audit work and for deciding the action to be taken on the outcome of, or findings from, their work. Management is responsible for ensuring SWAP has:

- the support of management and the Council; and
- direct access and freedom to report to senior management, including the Council's Chief Executive and the Audit Committee.

Management is responsible for maintaining internal controls, including proper accounting records and other management information suitable for running the Authority. Management is also responsible for the appropriate and effective management of risk.

#### **Internal Audit**

Internal audit is responsible for operating under the policies established by management in line with best practice.

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<sup>1</sup> In this instance Management refers to the Corporate Leadership Team

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS); SWAP has been independently assessed and found to be in Conformance with the Standards.

Internal audit is not responsible for any of the activities which it audits. SWAP staff will not assume responsibility for the design, installation, operation or control of any procedures. Members of SWAP who have transferred in to the department from other areas in Somerset County Council will not be asked to review any aspects of their previous department's work until one year has passed since they left that area.

### **Relationship with the External Auditors/Other Regulatory Bodies**

Internal Audit will co-ordinate its work with others wherever this is beneficial to the organisation.

### **Status of Internal Audit in the Organisation**

The Chief Executive of SWAP is responsible to the SWAP Board of Directors and the Members Meeting. The Chief Executive of SWAP and the Assistant Director also report to the Head of Internal Audit, Chief Financial Officer (as s151 Officer), and reports to the Audit Committee as set out below.

Appointment or removal of the Chief Executive of SWAP is the sole responsibility of the Members Meeting.

### **Scope and authority of Internal Audit work**

There are no restrictions placed upon the scope of internal audit's work. SWAP staff engaged on internal audit work are entitled to receive and have access to whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of Somerset County Council.

Internal audit work will normally include, but is not restricted to:

- reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;
- evaluating and appraising the risks associated with areas under review and make proposals for improving the management of risks;
- appraise the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;
- assist management and Members to identify risks and controls with regard to the objectives of the Council and its services;
  
- reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether Somerset County Council is in compliance;
  
- reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets;
  
- appraising the economy, efficiency and effectiveness with which resources are employed;
  
- reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned.
  
- reviewing the operations of the council in support of the Council's anti-fraud and corruption policy.
  
- at the specific request of management, internal audit may provide consultancy services provided:
  - the internal auditor's independence is not compromised

- the internal audit service has the necessary skills to carry out the assignment, or can obtain such skills without undue cost or delay
- the scope of the consultancy assignment is clearly defined and management have made proper provision for resources within the annual audit plan
- management understand that the work being undertaken is not internal audit work.

### **Planning and Reporting**

SWAP will submit to the Audit Committee, for approval, an annual internal audit plan, setting out the recommended scope of their work in the period.

The annual plan will be developed with reference to the risks the organisation will be facing in the forthcoming year, whilst providing a balance of current and on-going risks, reviewed on a cyclical basis. The plan will be reviewed on a quarterly basis to ensure it remains adequately resourced, current and addresses new and emerging risks.

SWAP will carry out the work as agreed, report the outcome and findings, and will make recommendations on the action to be taken as a result to the appropriate manager and Corporate Director. SWAP will report at least four times a year to the Audit Committee. SWAP will also report a summary of their findings, including any persistent and outstanding issues, to the Audit Committee on a regular basis.

Internal audit reports will normally be by means of a brief presentation to the relevant manager accompanied by a detailed report in writing. The detailed report will be copied to the relevant line management, who will already have been made fully aware of the detail and whose co-operation in preparing the summary report will have been sought. The detailed report will also be copied to the Head of Internal Audit, Chief Financial Officer (as s151 Officer) and to other relevant line management.

The Chief Executive of SWAP will submit an annual report to the Audit Committee providing an overall opinion of the status of risk and internal control within the council, based on the internal audit work conducted during the previous year.

In addition to the reporting lines outlined above, the Chief Executive of SWAP and the Assistant Director have the unreserved right to report directly to the Leader of the Council, the Chairman of the Audit Committee, the Council's Chief Executive Officer or the External Audit Manager.

**February 2019**