

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Finance & Audit Committee
Date: 05 March 2024
Reporting officer: James Larkin, Head of Audit & Counter Fraud Shared Service (Chief Audit Executive)
Subject: Internal Audit Quality Assurance & Improvement Programme

Purpose and summary of report:

To present for approval the Internal Audit Quality Assurance & Improvement Programme (QAIP) for 2024-25.

Recommendations:

1. Members approve the QAIP presented at Appendix 2 for use in 2024-25.

Key Implications:	
Item	Implications
Legal	The Accounts & Audit Regulations 2015 require local authorities to: undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. These Standards are also supported by CIPFA's Local Government Application Note to the Public Sector Internal Audit Standards. The Section 151 Officer of a local authority is responsible for establishing the internal audit service. Gravesham Borough Council has delegated this responsibility to the Section 151 Officer of Medway Council to deliver internal audit services through the Shared Service to both authorities.
Finance and Value for Money	An adequate and effective Internal Audit function provides the council with assurance on the proper, economic, efficient and effective use of council resources in delivery of services.
Corporate Plan	The work of Internal Audit supports the council in achieving all of its objectives set out in the Corporate Plan 2023-27 but is particularly relevant to the Objective One Council : a well-run and innovative authority, defined by its skilled and valued workforce, committed to developing its local social impact. Corporate Compliance: a responsible organisation, ensuring all constitutional, policy and legislative demands are met, and pro-active risk management practices adopted.
Climate Change	There are no direct climate change implications to this report.

1. Introduction

- 1.1 The Public Sector Internal Audit Standards (Standards) require that: The Chief Audit Executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. On 7 March 2023, the Finance & Audit Committee approved the Quality Assurance & Improvement Programme (QAIP) prepared to meet this requirement for 2023-24.

2. Review of the Quality Assurance & Improvement Programme (QAIP)

- 2.1 The QAIP for 2023-24 was designed to meet the requirements of the Standards and CIPFA's Local Government Application Note to the Public Sector Internal Audit Standards and also reflect the shared service arrangements with Medway Council, since the creation of the shared service.
- 2.2 Following the annual review, we have made some minor amendments to section II Supervision & Quality Management, to reflect a change in job title, and the addition of a further sub bullet point, namely:
 - The Internal Auditor has remained alert to the possibility of intentional wrongdoing, errors and omissions, poor value for money, failure to comply with management policy and conflicts of interest and documented any such concerns within the findings.
- 2.3 This has always been a requirement for internal auditors and is not being added due to any recent findings; we are just trying to ensure that the expectations on internal auditors are accurately reflected in the QAIP. External Audit also ask specifically whether any such concerns have been identified in the course of internal audit work as part of their review of the accounts and value for money.
- 2.4 New Global Internal Audit Standards were released on 9 January 2024 and will be effective from January 2025. Any new requirements for the QAIP will be dealt with as part of the annual review in 2024-25 and incorporated for 2025-26.
- 2.5 A copy of the proposed Internal Audit QAIP for 2024-25 presented at Appendix 2.

3. Appendices

- 3.1 The following documents are to be published with the report:
- 3.2 Appendix 2: Draft Internal Audit QAIP 2024-25

4. Background Documents

- 4.1 There are no background documents.

Lead Officer: James Larkin

Email: James.larkin@medway.gov.uk

Secondary Implications	
Risk Assessment	The Public Sector Internal Audit Standards require that: The chief audit executive must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. A Quality Assurance & Improvement Programme (QAIP) has been prepared to meet this requirement. The QAIP is intended to ensure that the service is developed in line with the aspirations of those charged with governance at Medway Council and Gravesham Borough Council.
Data Protection Impact Assessment	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i>
	a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data ? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. No
	b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A
	c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk . N/A
Equality Impact Assessment	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. No
	<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>
Crime and Disorder	The Internal Audit Team provides an independent and objective opinion to the organisation on the control environment, by evaluating its effectiveness in achieving the organisations' objectives. The work of the team combined with a sound internal control environment has a positive contribution to community safety in its broadest sense.
Digital and website implications	The council's performance management framework includes the publication of outturns against the Performance Indicators included in the Corporate Plan. The proportion of agreed internal audit actions implemented is one of the council's overall Performance Indicators and is therefore reported to the public via the Annual Performance Report published on the council's website.
Safeguarding children and vulnerable adults	There are no direct safeguarding implications to this report.