



# Fylde Borough Council

Internal Audit Plan 2024/2025

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**Appendix A: Strategic Three Year Internal Audit Plan**

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## Your Internal Audit Team




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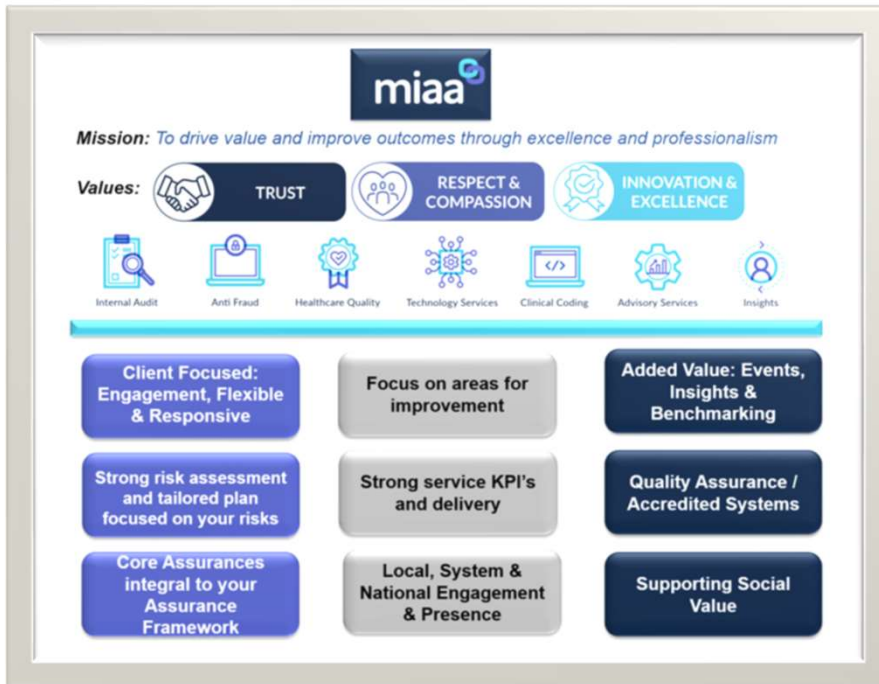
 [www.miaa.nhs.uk](http://www.miaa.nhs.uk)

 @MIAANHS

# 1 Executive Summary

## 1.1 Working in partnership with you

MIAA Assurance, providing cost effective assurance, insight and foresight. These services are delivered in partnership with you to ensure they are personal and responsive, ensuring the best possible customer experience.



## 1.2 Your Risk Assessment

A strong risk assessment underpins the Internal Audit Plan. This has focused upon your Assurance Framework as this represents **Fylde Borough Council (the Council)** own assessment of the risks to achieving its strategic objectives. These are summarised in Appendix A. We have clearly set out the risks which have been prioritised within the audit plan and those which are not.

## 1.3 Your Internal Audit Plan

Your Internal Audit service includes core assurances, national and regional risk areas and strategic risks from your assurance framework. The draft plan is based on an initial risk assessment and provides indicative coverage for the Council. The plan will remain flexible to allow for responses to emerging challenges that the Council may face.

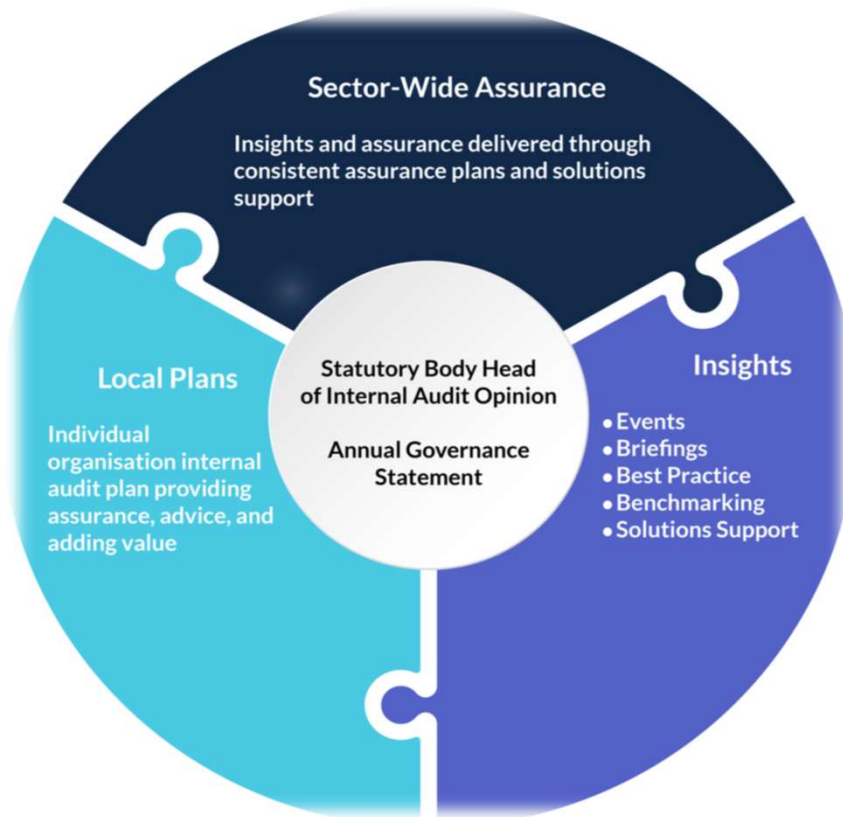
Your operational annual plan in Section 5 forms part of the Council's three year Strategic Plan (shown in Appendix A). This will be reviewed as part of our ongoing risk assessment process to ensure that it remains focused on the Council's key risks and challenges and adds value.

We will actively engage across the organisation to ensure we have a full and detailed understanding of your risks and can ensure we focus our work to best effect.

MIAA insights, including benchmarking, briefings and events will be integral to your plan.

This draft plan is based upon 23/24 fees. Fees will be lifted in line with planning guidance.

## 2 Your Assurance, Anti-Fraud and Solutions Services



### Internal Audit, Assurance and Solution Plans

The public sector landscape in England continues to change, and the impact of COVID-19, international and economic challenges are likely to be felt for many years to come.

Our vision is for MIAA to continue to be a Trusted Advisor through the retention of personalised, local focus and relationships with the added benefits provided by an at scale provider.

This is about MIAA continuing to build on its shared services capability to create a comprehensive offering, which provides insight, adds value and supports transformational change whilst operating efficiently.

MIAA continue to review and adapt our audit service and the way we provide assurance to meet your needs in the changing landscape.

This is about risk assessment at every level and regrouping audit plans and advisory commissions to support organisations and the wider system.

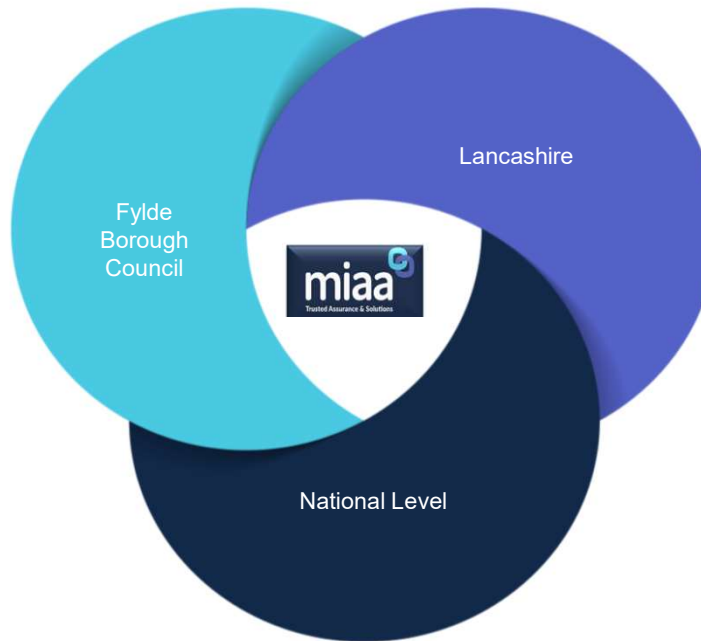
# 3 Supporting you through Adding Value

## Insights & Benchmarking

- Topical Briefings
- Assurance Checklists
- Through the Audit Committee Lens
- Benchmarking, shared learning & best practice

## Events, Groups & Networks

- TIAN: The Internal Audit Network
- GARNET: Governance, Assurance Risk Network
- System Audit Chairs Forums
- Collaborative Masterclasses
- Representation at local, regional and national level across range of networks & professional bodies



## Specialist Services

- Included within the Core IA Plan:
  - ✓ Digital
  - ✓ Capital & Estates
  - ✓ Business Intelligence & Data Analytics
- Highly experienced, professional and qualified teams
- Extensive Solutions Consultancy service

## Accreditations



# 4 Understanding Your Vision, Objectives & Risks

## Understanding Your Vision, Objectives and Risks

A key focus of our strategic risk assessment is understanding your vision and ensuring that the internal audit plan contributes to your objectives. This in turn ensures that the assurances provided are built around your risks.

## Assurance Built Around Your Risks

- Financial sustainability
- Delivery of key change programmes
- Leadership and workforce
- ICT Systems
- Climate Change

We map your strategic objectives and strategic risks to the 3 Year Strategic Internal Audit Plan (Appendix A). This is reviewed as part of the risk assessment process to ensure that the plan remains focused on the Council's key risks and challenges and adds value.

	Economy	Environment	Efficiency	Tourism
Strategic Objectives	<ul style="list-style-type: none"> <li>To create a vibrant and healthy economy we will:                             <ul style="list-style-type: none"> <li>• Develop &amp; deliver Master Plans for the town centre</li> <li>• Support and promote regeneration developments</li> <li>• Facilitate improved transport infrastructure and connectivity</li> <li>• Maximize the use of all available land assets</li> <li>• Work with partners to attract new employers and create vibrant economic communities</li> <li>• Attract and enhance the diversity of our local communities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>To deliver services customers expect us to:                             <ul style="list-style-type: none"> <li>• Reduce the use of plastics &amp; increase recycling</li> <li>• Enhance the natural environment</li> <li>• Improve cost and sustainable accessibility</li> <li>• Create clean, safe and healthy communities</li> <li>• Provide high quality parks and open spaces</li> <li>• Provide safe, secure and accessible road and sustainable facilities</li> <li>• Provide better services and savings</li> <li>• Offer solutions to public spaces flooding</li> <li>• Improve energy efficiency in our buildings</li> <li>• Reduce our carbon footprint, climate and nature</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>To spend money in the most efficient way we will:                             <ul style="list-style-type: none"> <li>• Keep costs low to be as possible without affecting the quality of services</li> <li>• Adopt a 'Customer First Mindset'</li> <li>• Reduce work burdens to improve staff delivery</li> <li>• Apply technology in other services in the most efficient way possible</li> <li>• Continuously review ways to meet changing customer expectations</li> <li>• Challenge and enhance the operation of the Council</li> <li>• Keep customers informed through open and transparent communication</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>To create a great place to live and visit we will:                             <ul style="list-style-type: none"> <li>• Provide high quality leisure, tourism, arts, sports and recreational facilities</li> <li>• Deliver and support a diverse programme of events across the Fylde coast and surrounding</li> <li>• Develop and promote unique destination points across the coast and surrounding</li> <li>• Attract high quality visitors</li> <li>• Provide parking solutions that meet the needs of residents, workers and visitors</li> <li>• Support and enhance heritage and arts</li> </ul> </li> </ul>
Key Risks	<ul style="list-style-type: none"> <li>• Inability to attract the diversity of businesses and services needed to create a vibrant and healthy economy</li> <li>• Inability to attract and enhance the diversity of our local communities</li> <li>• Inability to attract and enhance the diversity of our local communities</li> <li>• Inability to attract and enhance the diversity of our local communities</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to reduce the use of plastics and increase recycling</li> <li>• Inability to enhance the natural environment</li> <li>• Inability to improve cost and sustainable accessibility</li> <li>• Inability to create clean, safe and healthy communities</li> <li>• Inability to provide high quality parks and open spaces</li> <li>• Inability to provide safe, secure and accessible road and sustainable facilities</li> <li>• Inability to provide better services and savings</li> <li>• Inability to offer solutions to public spaces flooding</li> <li>• Inability to improve energy efficiency in our buildings</li> <li>• Inability to reduce our carbon footprint, climate and nature</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to keep costs low to be as possible without affecting the quality of services</li> <li>• Inability to adopt a 'Customer First Mindset'</li> <li>• Inability to reduce work burdens to improve staff delivery</li> <li>• Inability to apply technology in other services in the most efficient way possible</li> <li>• Inability to continuously review ways to meet changing customer expectations</li> <li>• Inability to challenge and enhance the operation of the Council</li> <li>• Inability to keep customers informed through open and transparent communication</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to provide high quality leisure, tourism, arts, sports and recreational facilities</li> <li>• Inability to deliver and support a diverse programme of events across the Fylde coast and surrounding</li> <li>• Inability to develop and promote unique destination points across the coast and surrounding</li> <li>• Inability to attract high quality visitors</li> <li>• Inability to provide parking solutions that meet the needs of residents, workers and visitors</li> <li>• Inability to support and enhance heritage and arts</li> </ul>



# 5 Internal Audit Risk Assessment

The Fylde Borough Council internal audit plan is built from a risk assessment which has considered national and local system risks, place based developments and your local strategic risk assessment, along with our breadth of experience and understanding of the challenges you face.

A key focus of our strategic risk assessment is understanding your vision and ensuring that the internal audit plan contributes to your objectives. This in turn ensures that the assurances provided are built around your risks.

The initial strategic risk assessment and internal audit risk assessment has considered:

- **Organisation intelligence** – including review of your Strategic Risk Register, Strategy and committee papers.
- **Assurance mapping** – utilisation of the 3 lines of assurance model and professional standards to ensure focused coverage.
- **Mandated assurance** – including core systems assurances, and Public Sector Internal Audit Standards requirements.
- **Previous Internal Audit coverage** – we have reviewed your previous Internal Audit coverage to ensure the proposed plan does not duplicate coverage.
- **Follow Up** – Internal Audit coverage will also include follow up of outstanding internal audit actions.



# 4 Internal Audit Plan on a Page

For Fylde Borough Council, this is the planning approach we will adopt:

## Planning Approach

- Risk Assessment of the external environment, system and organisation (including your Strategic Risk Register).
- Engagement of Audit Committee, Executive Directors and management.
- Use of MIAA’s client risk database to inform planning.
- Coverage of Critical Business Systems to support organisation’s objectives through the strategic internal audit plan.
- Provision of sufficient resources and expertise.
- Compliance with Public Sector Internal Audit Standards (PSIAS).

## Your Plan

The outcome of your risk assessment is summarised below:

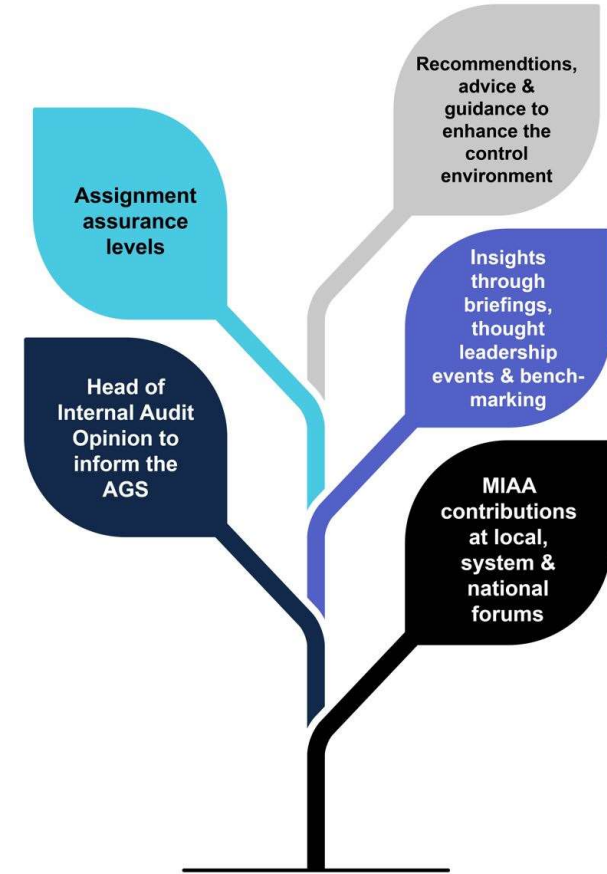
**Organisational Reviews**  
 Provision of assurances across core and risk based reviews

- Risk Management
- Key Financial Controls
- Corporate Peer Review – Action Plan
- Council Tax and NNDR
- Procurement
- Heritage Assets
- Building Statutory Compliance
- Environmental Protection
- Crematorium
- Planning Enforcement
- Sickness Absence
- Threat and Vulnerability
- CCTV

## Follow Up and Contingency

## Outcomes

## Added Value





# 7 Operational Internal Audit Plan 24/25

Review & Scope	BAF Risk / Rationale	Planned Delivery	Executive Lead
<b>Governance &amp; Leadership</b>			
<b>Risk Management – Core Controls:</b> To provide assurance that core risk management controls have established and maintained.	<b>HOIA Opinion Requirement/PSIAS requirement</b>	Q4	Head of Corporate Services
<b>Corporate Peer Review – Action Plan Review:</b>	<b>Management Request</b>	TBC	Deputy Chief Executive
<b>Finance &amp; Sustainability</b>			
<b>Key Financial Controls:</b> To provide assurance that the most significant key controls are appropriately designed and operating effectively in practice.	<b>Core Assurance/</b>	Q3	Chief Financial Officer
<b>Council Tax and NNDR:</b> To identify and evaluate the controls in place to manage key risks which would affect the effective operation of the system for NNDR and Council Tax.	<b>Core Assurance/XXX</b>	Q2	Chief Financial Officer
<b>Procurement:</b> To review the design and controls of the procurement process and ensuring that the Council has an open and transparent process to procure goods and services and achieve value for money.	<b>Strategic Risk – Transforming Public Sector Procurement</b>	Q4	Head of Governance
<b>Service Delivery</b>			
<b>Heritage Assets:</b> To review the systems and processes in place to manage Heritage Assets.	<b>Bfwd from 2023/24</b>	Q3	Head of Place and Culture
<b>Buildings Statutory Compliance:</b> To confirm whether the Council can demonstrate that it has systems in place to ensure that buildings owned by the Council are maintained in accordance with Statutory requirements for building and property maintenance.	<b>Strategic Risk – Asset Management/Management Request</b>	Q4	Head of Technical Services
<b>Environmental Protection:</b> To review the systems and processes in place to manage and provide Environmental Protection services.	<b>Management Request</b>	Q3	Head of Environmental and Housing Services
<b>Crematorium:</b> To review the systems and processes in place to manage the Crematorium.	<b>Management Request</b>	Q2	Head of Environmental and Housing Services
<b>Planning Enforcement:</b> To consider the systems and processes in place for Planning Enforcement and the breach of planning regulations.	<b>PAS Review Actions/Management Request</b>	Q3	Head of Planning

Review & Scope	BAF Risk / Rationale	Planned Delivery	Executive Lead
<b>People</b>			
<b>Sickness Absence:</b> To evaluate the systems and processes in place to ensure that managers are proactively managing sickness absence, ensuring compliance with Council policy. This will include a review of the processes in place for the identification, recording, reporting and monitoring of sickness absence.	<b>Core Assurance/Management Request</b>	Q2	Head of Corporate Services
<b>Information Technology</b>			
<b>Threat and Vulnerability:</b> To provide an assessment on the effectiveness of the control framework being exercised by management in relation to threat and vulnerability management with reference to cyber security guidelines and good practice as provided by the National Cyber Security Centre (NCSC) and highlight areas of improvement, where appropriate.	<b>Mandated Requirement</b>	Q2	Head of Corporate Services
<b>CCTV:</b> To provide an assessment of the effectiveness of the control framework being exercised by management over the systems, data flows and associated external processes, with reference to guidelines and good practice as provided by the and Information Commissioners Office (ICO), the Surveillance Camera Code of Practice (amended March 2022) issued by the Secretary of State under Sections 29 to 31 of the PoFA 2012 and highlight areas of improvement, where appropriate.	<b>Management Request</b>	Q4	Head of Environmental and Housing Services
<b>Follow up &amp; Contingency</b>			
<b>Follow up and Contingency</b>	<b>PSIAS requirement</b>	Q1 - Q4	XXXX
<b>Planning &amp; Reporting</b>			
<b>Planning, Management, Reporting &amp; Meetings</b>	<b>PSIAS requirement</b>	Q1 - Q4	XXXX

*The Internal Audit Risk assessment and plan will be reviewed on an ongoing basis throughout the year and any requests for change discussed and approved via the Audit Committee. A formal 6 month review of the plan will also take place.*

The following risk areas were identified as part of the annual risk assessment (refer above), but are not currently prioritised within the Internal Audit Plan coverage.

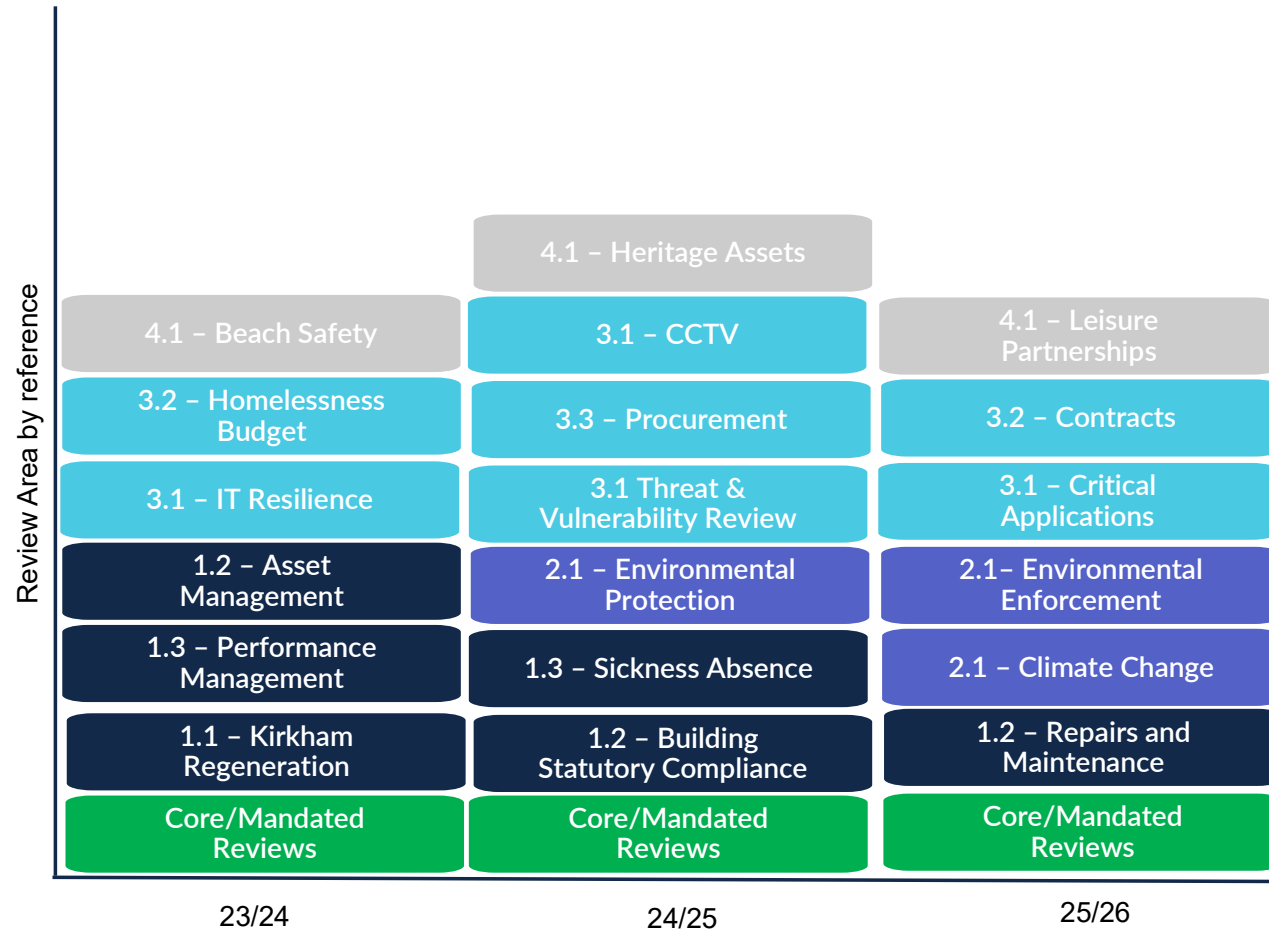
Risk Area	Review Origin	Rationale
Leisure Partnerships	Risk Assessment & Management Request	Further work is required by the Council. Proposed review for 2025/26.
Environmental Enforcement	Risk Assessment & Management Request	Not considered a priority. To be considered in future years.
Climate Change	Risk Assessment	Not mature enough to review. Proposed review for 2025/26.
Planning Advisory Service - Actions Review	Risk Assessment	Work is in progress. Proposed review for 2025/26.
Land Charges	Management Request	Land registry updates in progress. Not considered a priority.
Bathing Waters, Flooding and Surface Water Management	Management Request	Work is in progress. To be considered in future years.
Retention and Succession Planning	Risk Assessment	Performance Management Review 2023/24.

*The Internal Audit Risk assessment and plan will be reviewed on an ongoing basis throughout the year and any requests for change discussed and approved via the Audit Committee. A formal 6 month review of the plan will also take place.*

# Appendix A – 3 Year Strategic Internal Audit Plan

We have mapped your strategic objectives and strategic risks to the 3 Year Strategic Internal Audit Plan. This will be reviewed as part of the risk assessment process to ensure that it remains focused on the Council's key risks and challenges and adds value.

REF	Strategic Risk	Risk Score
<b>Principal Objective: Economy</b>		
1.1	Kirkham Futures Regeneration Programme	16
1.2	Management of key assets	6
1.3	Recruitment/Retention and Succession Planning	12
<b>Principal Objective: Environment</b>		
2.1	Climate Change	9
<b>Principal Objective: Efficiency</b>		
3.1	ICT Systems	12
3.2	Rural Swimming Provision – Kirkham Pool	20
3.3	Public Reform Event – Transforming Public Sector Procurement	4
<b>Principal Objective: Tourism</b>		
4.1	Leisure provision St Annes Pool	16



## Appendix B – Internal Audit Key Performance Indicators

An efficient and effective internal audit service is delivered in partnership. It is important that clear expectations are established and a range of KPIs are in place to support this. It is important that organisations ensure an effective Internal Audit Service. Whilst input and process measures offer some assurance, the focus should be on outcomes and impact from the service. Our annual Head of Internal Audit Opinion will provide you with a range of impact and effectiveness measures, as well as confirmation of our compliance with Public Sector Internal Audit Standards and accreditations.

In addition, the following operational KPIs have been proposed for you.

Operational KPI	Target	Measurement and Frequency
Agreement of Annual Plan prior to the start of the year	100%	Annual (measured as per agreed Audit Committee date / Audit Committee Workplan)
Completion of annual plan within agreed timetable and budget	100%	Annual (measured through HOIA opinion) plus in year reporting to Audit Committee
Presentation of the Head of Internal Audit Opinion to the Audit Committee	100%	Annual (measured as per agreed Audit Committee date / Audit Committee Workplan)
Delivery of audit reports to audit committee as per the plan	100%	Quarterly (measured as per annual operational delivery plan)
Terms of reference agreed with management at least 10 working days before commencement of audit	100%	Quarterly (measured as per TeamMate system) – requires MIAA and Council to deliver KPI (for urgent requests this may be shorter depending on the nature of the request)
Draft reports issued within 10 days of completion meeting	100%	Quarterly (measured as per TeamMate system)
Final audit report issued within 10 days of receiving management response	100%	Quarterly (measured as per TeamMate system)
Final audit reports are agreed by the nominated executive director, who will ensure consultation has taken place with relevant Council officers	100%	Quarterly (measured as per annual operational delivery plan)
Receipt of all internal audit reports in accordance with timelines for Audit Committee publication with completed cover sheets as required	100%	Quarterly (measured as per agreed Audit Committee dates)
Proportion or recommendations accepted by management	95%	Quarterly (measured as per TeamMate system) – the target allows for advisory recommendations (we would expect 100% of high risk recommendations).
Monitor and Follow Up implementation of accepted recommendations by due date	95%	Quarterly (measured through follow up reports) - requires Council and MIAA to deliver KPI
Issue of client satisfaction survey following completion of each review	100%	Quarterly (measured as per agreed Audit Committee dates)
Operation of systems to ISO Quality Standards and compliance with Public Sector Internal Audit Standards.	100%	Quarterly (measured as per agreed Audit Committee dates)
Commitment to training and development of audit staff. Maintenance of 65% Qualified (CCAB, IIA etc) 35% Part Qualified	100%	Quarterly (measured as per agreed Audit Committee dates)

## Public Sector Internal Audit Standards

Our work was completed in accordance with Public Sector Internal Audit Standards and conforms with the International Standards for the Professional Practice of Internal Auditing.

## Limitations

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Reports prepared by MIAA are prepared for your sole use and no responsibility is taken by MIAA or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit and shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.