

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
SHARED HEAD OF INTERNAL AUDIT	AUDIT AND STANDARDS COMMITTEE	18 MARCH 2021	6
<b>INTERNAL AUDIT PLAN 2021-22</b>			

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

The 2021/22 Internal Audit Plan has been compiled in consultation with Directors and Heads of Service following a detailed risk assessment.

### RECOMMENDATION

That the Committee approves the Internal Audit Plan 2021/2022 and associated performance indicators.

### SUMMARY OF PREVIOUS DECISIONS

None.

### CORPORATE PRIORITIES

Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

### THE ROLES OF MANAGEMENT AND INTERNAL AUDIT

1. The responsibility for implementing a strong system of governance and internal control within the Council lies primarily with management. Directors and Heads of Service need to ensure that they maintain effective control procedures not least because services and business systems are subject to on-going change.
2. Internal Audit is an independent appraisal function whose prime objective is to evaluate and report on the adequacy of the Council's system of governance, risk and internal control. This is largely achieved through an annual programme of reviews.

## **AUDIT PLAN**

3. The 2021/22 Internal Audit Plan contains the programme of reviews for the next financial year and is shown at Appendix 1. This has been constructed following an assessment of audit need by considering a range of factors, such as significant changes in staffing, systems and procedures, the length of time since an area was last audited and items in the Corporate Plan and Strategic Risk Register. There has also been extensive consultation within each service which has taken an overview of audit requirements.
4. The following paragraphs summarise the areas that will be subject to audit coverage in 2021/22.

### **Corporate**

- Undertaking corporate and service level governance reviews in support of the Annual Governance Statement.
- Review and update of Anti-Fraud and Corruption Policies.
- Co-ordinating the Council's input to the Cabinet Office National Fraud Initiative (NFI) 2021 exercise for in order to identify any potential irregularities.

### **Risk based reviews of the following systems:**

- Health and Safety
- Project Management Framework
- Stores stocks
- Data Sharing Protocols
- Risk management
- Housing Benefit
- Treasury Management
- Capital Programme
- ICT reviews – to be determined in conjunction with ICT Auditors
- Externally managed events
- Bereavement Service
- Fairhaven Adventure Golf
- Properties Repairs and Maintenance
- Section 106 grants
- Disabled Facilities Grants

### **Project Team Membership**

- Coastal Defence project
- Fairhaven Lake (HLF)
- Kirkham Town Centre regeneration

### **General Areas**

- COVID support – providing post assurance on business support grants.
- Following up management actions agreed in earlier audit reports.
- Responding to requests from management for unplanned reviews / investigations.
- Compliance with the Public Sector Internal Audit Standards (PSIAS) including participation in the Lancashire wide peer review process.
- System administrator responsibilities for risk management system (GRACE).
- Preparing reports for and attending the Audit and Standards Committee.

## AUDIT DAYS

5. The Internal Audit Plan for 2021/22 is based on a resource of **400 audit days**. This is the number of chargeable days available within the existing budget (after deducting annual leave and other non-chargeable time). It comprises of a mix of in-house and bought-in resource.

IMPLICATIONS	
Finance	No implications.
Legal	No implications.
Community Safety	No implications.
Human Rights and Equalities	No implications.
Sustainability and Environmental Impact	No implications.
Health & Safety and Risk Management	No implications.

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Internal Audit Risk Assessment	1 <sup>st</sup> February 2021	Internal Audit Office, Town Hall

Attached documents

**Appendix 1** – Internal Audit Plan

FYLDE COUNCIL	DAYS	Comments
<b>CORPORATE AREAS</b>		
Annual Governance Statement	15	To support the 2021 Annual Governance Statement
Anti-Fraud & Corruption	5	Review and update of probity policies
NFI	10	Submission of data for the 2021 exercise
<b>CORPORATE SERVICES</b>		
Health and Safety	15	Risk based review deferred from 20/21
Project Management Framework	15	Risk based review deferred from 20/21
<b>RESOURCES</b>		
<b>Heath &amp; Environment</b>		
<b>Fleet and Depot</b>		
Stores Stocks (Bins and FMS stock)	15	Risk based review deferred from 20/21
<b>Governance</b>		
Data Sharing Protocols	15	Risk based review deferred from 20/21
Risk Management	15	Risk based review
<b>Finance and Service Support</b>		
Housing Benefit	15	Risk based review deferred from 20/21
<b>Finance</b>		
Treasury Management	15	Risk based review deferred from 20/21
Capital Programme	15	Risk based review deferred from 20/21
<b>ICT</b>		
TBD	10	Risk based review
TBD	10	Risk based review
<b>DEVELOPMENT SERVICES</b>		
<b>Parks, Leisure and Cultural Services</b>		
Externally Managed events	15	Risk based review deferred from 20/21
Bereavement service	15	Risk based review deferred from 20/21
Fairhaven (HLF project)	10	Project team - pro active support
Fairhaven Adventure Golf	15	Risk based review
<b>Technical Services</b>		
Sea Defences project	10	Project team - pro active support
Property Repairs and Maintenance	15	Risk based review deferred from 20/21
<b>Planning &amp; Regeneration</b>		
Kirkham Town Centre regeneration	10	Project team - pro active support
Disabled Facilities Grants	15	Risk based review deferred from 20/21
Section 106	15	Risk based review deferred from 20/21
<b>GENERAL AREAS</b>		
COVID Support	30	Post assurance / grants
Post Audit Reviews	10	Follow up of agreed actions
Contingency / Irregularities	15	Unplanned reviews / contingency
PSIAS Peer Review	15	Participation in peer review process
Internal Audit Effectiveness review	5	IA Effectiveness review
GRACE (Administrator role)	15	Administrator functions
Committee Reporting / Effectiveness Review	20	Preparation of reports and attendance at Audit & Standards Committee
<b>FYLDE COUNCIL</b>	<b>400</b>	