



Committee	Audit and Governance Committee
Date	11/03/2024
Subject	Internal Audit Strategy, Plan and Charter 2024/25
Cabinet Member	Councillor Vince Langdon-Morris, Cabinet Member with responsibility for Resources and Value for Money Councillor Tim Wilson, Assistant Cabinet Member for Resources and Value for Money
Report Author and Head of Service	Siobhan Martin Head of Internal Audit siobhan.martin@eastsuffolk.gov.uk 01394 444254
Chief Executive	Chris Bally Chief Executive chris.bally@eastsuffolk.gov.uk 01502 523210

Key Decision?	No
Is the report Open or Exempt?	OPEN

Purpose/Summary

East Suffolk Council is required under the Accounts and Audit Regulations 2015 to maintain an adequate and effective Internal Audit Service. The Internal Audit services acts in accordance with the Public Sector Internal Audit Standards (PSIAS) and local Internal Audit Charter

This report provides the Committee with the proposed annual Internal Audit Strategy, Plan and Charter for the 2024/25 financial year, as required by this Committee's Terms of Reference, East Suffolk Council's constitution and professional internal audit standards.

Recommendation(s)

That the Audit and Governance Committee:

1. Reviews and approves the Internal Audit Strategy and Plan 2024/25 (Appendix A of this report)
2. Reviews and approves the updated Internal Audit Charter (Appendix B of this report)

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	See Our Foundations
Sustainable Housing	See Our Foundations
Tackling Inequalities	See Our Foundations
Thriving Economy	See Our Foundations
Our Foundations / governance of the organisation	<p>The fundamental purpose, nature and scope of internal auditing is to bring a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.</p> <p>Internal Audit supports the core governance of the organisation by providing assurance on the council's activities and operations, which in turn underpins the delivery of all council objectives and obligations.</p>

Justification for recommendations

1. Background

- 1.1. The mission of Internal Audit is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

2. Introduction

- 2.1. The activity of the internal audit service is overseen by the Audit and Governance Committee.
- 2.2. The Audit and Governance Committee's terms of reference include the responsibilities:
 - To review and approve the Internal Audit Charter to ensure that it is appropriate to the needs of the organisation.
 - To review and approve the annual internal audit plan and any major changes to it.

3. Proposal

- 3.1. This report is to provide the Committee with details of the proposed risk-based approach for 2024/25, which is necessary to provide the Committee with the assurances they require, facilitate the Head of Internal Audit's annual opinion, and support good governance within East Suffolk Council.
- 3.2. The Internal Audit Plan also includes an Internal Audit Strategy for 2024/25 in accordance with the best practice recommended by the Chartered Institute of Internal Auditors in the UK and Ireland.
- 3.3. The Internal Audit Charter, which sets out the internal audit framework and approach at East Suffolk Council has also been reviewed. The Charter's core details and arrangements do not require amendment, with only minor updates proposed.
- 3.4. The global Institute of Internal Auditors has released an updated set of Internal Audit Standards for implementation in January 2025, and the service is awaiting guidance from the Chartered Institute of Public Finance and Accountancy on how these will align with the current UK Public Sector Internal Audit Standards. The Head of Internal Audit is maintaining a watching brief on developments, and will report to the Committee again if any changes to the Audit Charter are needed before the next scheduled review date.

4. Financial Implications

- 4.1. There are no direct financial implications arising from this report. Internal audit supports the council's financial operations by providing assurance on whether systems of internal financial control are effective and operating as intended.

5. Legal Implications

- 5.1. There are no direct legal implications arising from this report. Internal audit supports the council's compliance with its legal obligations by providing assurance on whether systems are effective and operating as intended.

6. Risk Implications

- 6.1. This report directly supports East Suffolk Council's risk management arrangements by detailing how risk-based assurance will be provided in 2024/25. If the Committee does not approve an internal audit plan or audit charter in line with its terms of reference then the council may be unable to fulfil completely its statutory responsibilities for assurance and governance.

7. Options

- 7.1. There are no options to be considered in relation to this report.

8. Recommendations

- 8.1. That the Audit and Governance Committee:
1. Reviews and approves the Internal Audit Strategy and Plan 2024/25 (Appendix A of this report)
 2. Reviews and approves the updated Internal Audit Charter (Appendix B of this report)

9. Reasons for Recommendations

- 9.1. To fulfil the terms of reference of the Audit and Governance Committee

10. Conclusions/Next Steps

- 10.1. The Head of Internal Audit is responsible for incorporating any required amendments and implementing the Committee-approved Internal Audit Strategy, Plan and Charter in time for them to take effect from 01 April 2024.

Areas of consideration comments

Section 151 Officer comments:

Not applicable

Monitoring Officer comments:

Not applicable

Equality, Diversity and Inclusion/EQIA:

Not applicable

Safeguarding:

Not applicable

Crime and Disorder:

Not applicable

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

All corporate services are required to support Internal Audit with unrestricted scope, the necessary resources and access to information to enable it to fulfil its function. The Internal Audit Plan and Charter explain how internal audit will work with corporate services and departments to minimise any resource implications.

Residents and Businesses consultation/consideration:

Not applicable

Appendices:

Appendix A	Internal Audit Strategy and Plan 2024-25
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Appendix B	Internal Audit Charter 2024
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Background reference papers:

None